



DEPARTMENT OF PROFESSIONAL & FINANCIAL REGULATION

Bureau of
Insurance

STATE OF MAINE



2026 Individual and Small Group ACA Rate Review

October 7, 2025

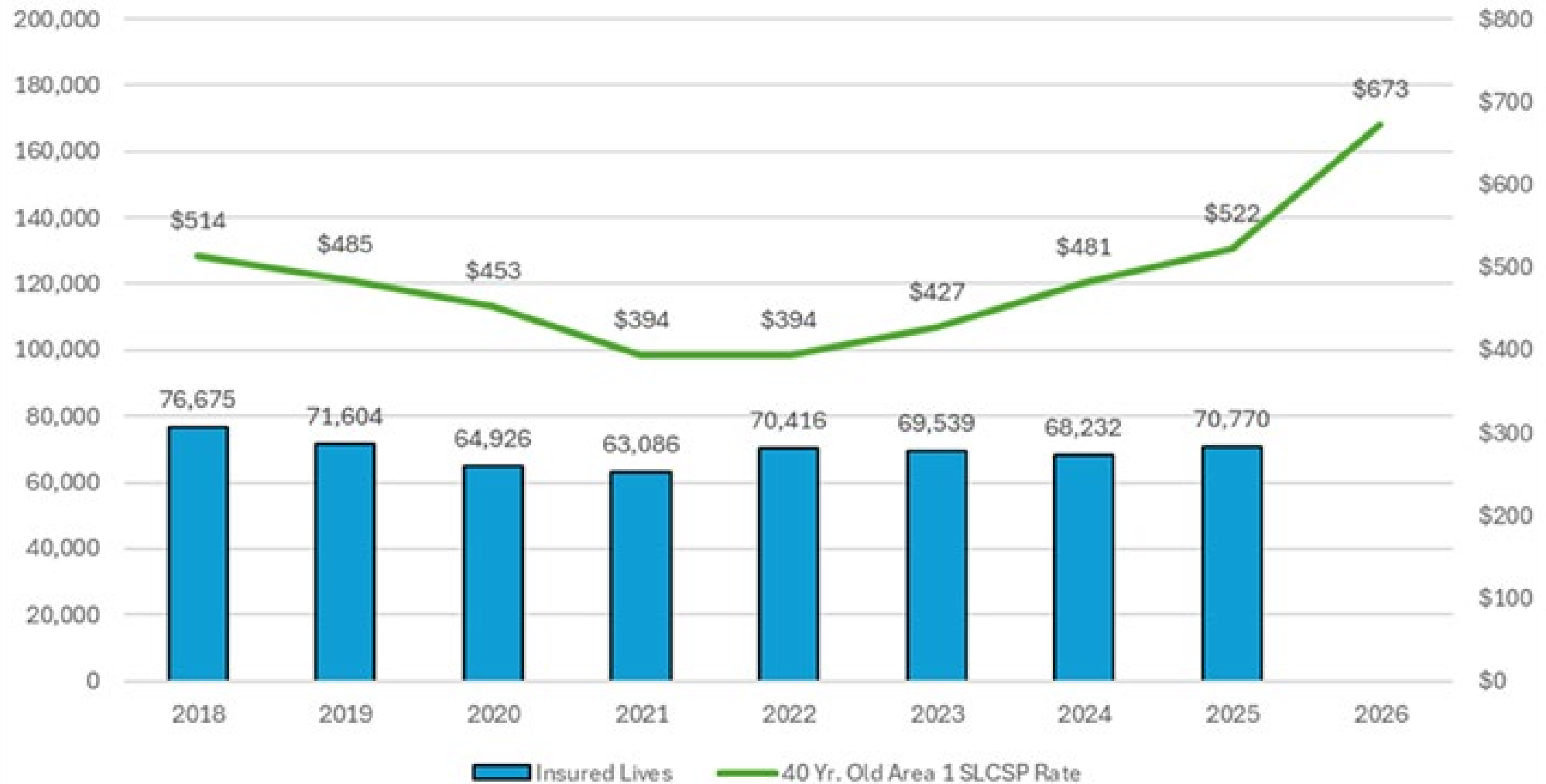
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Rate Review Jurisdiction

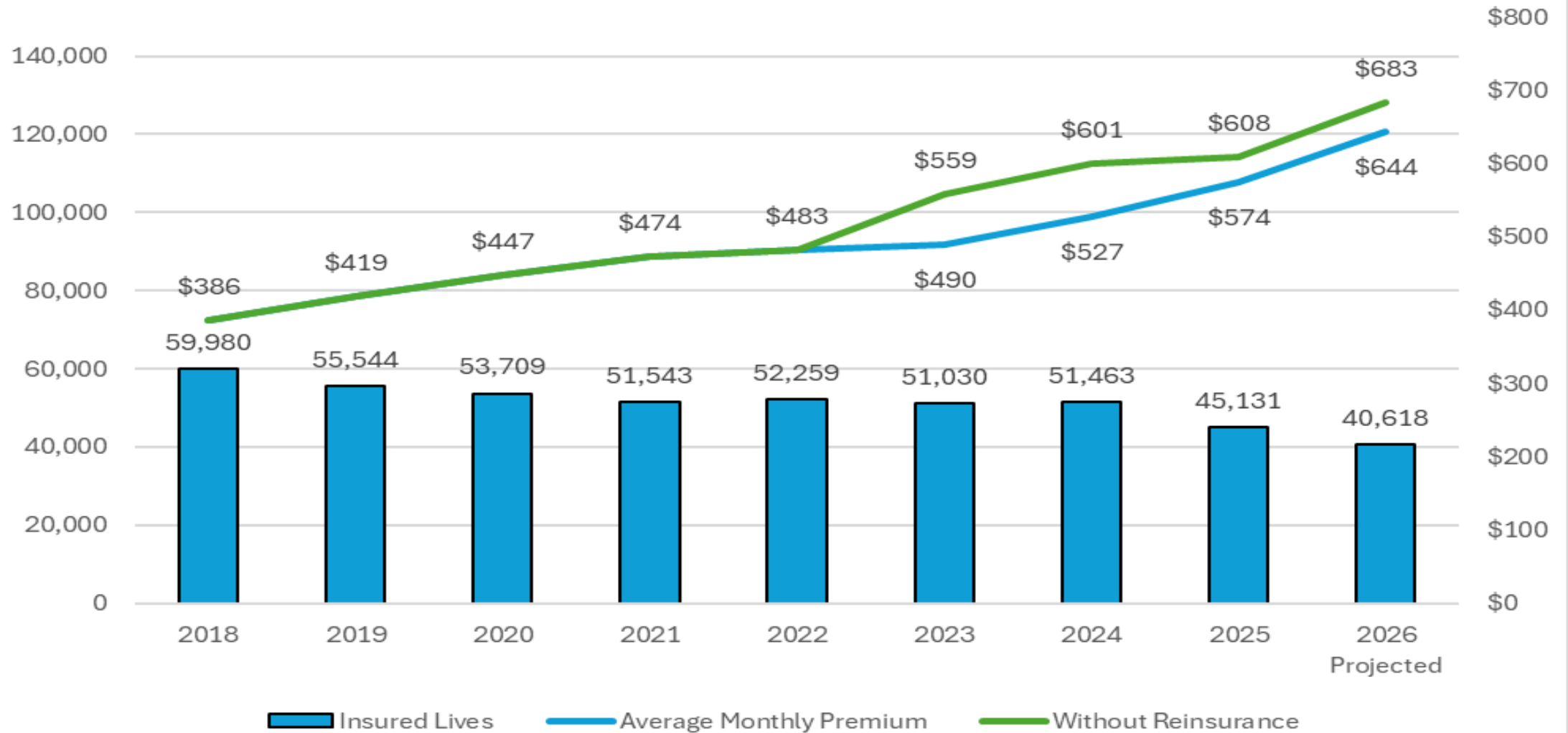
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- The Bureau reviews and approves health insurance rates for plans sold to individuals and small employers (50 or fewer employees).
 - At the end of 2024, there were approximately 110,000 people covered in the merged (individual and small group) market.
- Maine state law (M.R.S.A. 24-A) directs the Bureau to ensure that rates are not “excessive, inadequate, or unfairly discriminatory.”
- Rates for large group plans and self-insured employer plans are not reviewed by the Bureau.

Maine ACA Enrollment & Individual Second Lowest Cost Silver Plan Premiums for a 40 Yr. Old in Area 1



Maine ACA Small Group Market Average Premium & Enrollment



Rates may not be “excessive, inadequate, or unfairly discriminatory.”

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- Rates pay for the delivery of health care services, the cost to operate an insurance company, and a small amount of profit or margin, but rates cannot be **excessive**.
 - Some carriers are nonprofit but still have a contribution to surplus for the uncertainty of claims exceeding expected premiums.
 - Federal law requires at least 80% of the premium must be used to pay for health care services.
 - “Excessive” does not necessarily mean “unaffordable to the consumer.”
- Rates must not be underpriced (i.e., **inadequate**).
- Rates cannot be **unfairly discriminatory**.
 - Rates may only vary based on age, geographic area and plan design.

What Input Does the Bureau Have?

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- The Bureau examines the reasonableness of assumptions and the validity of the historical data underlying the assumptions, and the reliability of past projections in light of actual experience.
- Clear Choice Standardized plans reviewed and updated yearly.
- Geographic area rating factors may not vary by more than 15%.
- Provider, PBM (pharmacy benefit manager) and vendor contracts are not part of the BOI review.

2026 Rate Review Timing

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- Carriers filed two sets of rates on June 5th
 - One set based on the termination of enhanced premium tax credits (EPTC) as of 1/1/2026; and a second set assuming EPTC is extended.
- Revised rates were submitted in mid-July with updated claims.
- Bureau actuarial team reviews rates and responds with objections to request more information from carriers to support assumptions.
- Rates were finalized in September and submitted to the state exchange (CoverME.gov).
- Rate filings and objections are public and can be accessed through the Bureau website.

Recent Federal Changes Affecting Rates

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- Expanded eligibility due to hardship exemptions for Catastrophic plans announced by CMS on 9/4 resulting in increased rates for those plans.
- Court injunction preventing changes in the Program Integrity Rule including expanded AV de minimis requirements – CMS issued a bulletin on 9/5 but stay on injunction was denied by the court on 9/18.
- HSA (health saving accounts) designation is allowed for all Catastrophic and Bronze exchange plans in federal budget bill HR 1 regardless of level of cost-sharing and coverage.
- Possible extension of enhanced premium tax subsidies unknown

2026 Premium Increase Drivers

- **Average Individual Rate Increase: 24.2%**

Carrier	Final Average
Anthem Health Plans of Maine	23.5%
Harvard Pilgrim Health Care	21.3%
Maine Community Health Options	26.5%
Taro Health (Mending Health)	32.7%

- **Average Small Group Rate Increase: 17.7%**

Full detail on Bureau website - Rates: <https://www.maine.gov/pfr/insurance/home>

- **Morbidity - level of severity and incidence**
 - ✦ 3.6%. Increase of 2.9% from 2025
 - ✦ Expiration of EPTCs in 2026
 - ✦ Market uncertainty
- **Pricing Trend – medical cost**
 - ✦ 8.7%. Increase of 3% from 2025
 - ✦ Hospital Costs and Inflation
 - ✦ Pharmacy Costs
 - ✦ Utilization
- **CSR Load on Silver Exchange Plans**
 - ✦ 12.6%. Increase of 3%
- **MGARA Savings**
 - ✦ Down about 1% from 2025 to around 6.7%

Drivers of Rate Increase

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Factor	Anthem	CHO	Harvard Pilgrim	Taro / Mending	United HealthCare
Individual 2025 Deficiency – Claim increased more than Premium	15%	14.7%	24%	**	N/A
Small Group 2025 Deficiency – Claim increased more than Premium	4.2%	15.3%	**		**
Allowed Medical Trend	8.1%	7.9%	11.3%	6.2%	11.6%
Allowed Rx Trend	12.5%	15.4%	17.7%	16.5%	11.4%
MGARA Savings	-7.5%	-5.7%	-6.5%	-6.8%	-5.5%
Morbidity Assumption	4.3%	3.0%	2.0%	9.6%	0%
End of EPTC Impact	1.0%	1.8%	3.6%	3.1%	N/A

** - Due to small membership, Maine experience is only partially used to set rates.
 These impacts don't add up to the average increase but are some components that affect rates to varying degrees.

Federal Enhanced Premium Tax Credits Expire at the End of 2025

- People eligible for Advanced Premium Tax Credits (APTC) through CoverME.gov – **which are funded by the federal government** – will see significant increases in their monthly premiums.
- This is due to the end of “enhanced” APTC at the end of CY 2025.
 - Enhanced APTC has been available since 2021.
- APTC is provided on a sliding scale based on household income.

Premium Contribution as % of Household Income

Household Income (FPL %)	Enhanced APTC	Standard APTC
<138%	0%	2.10%
150%	0%	4.19%
200%	2%	6.60%
250%	4%	8.44%
300%	6%	9.96%
350%	8.5%	9.96%
400%	8.5%	9.96%
>400%	8.5%	N/A

2026 Other States Rate Approvals

State	Average Rate Change Individual	Average Rate Change Small Group
AL	21.1%	
CT	16.8%	11.0%
DE	25-34.9%	
IL	28.8%	13.3%
IN	23.5%	6.9%
LA	19.4%	12.1%
MD	13.4%	4.9%
MA	13.4%	
MN	21.5%	14.2%
MS	41.0%	
NC	28.1%	
NE	28.3%	18.0%
NM	35.7%	16.8%
NY	7.1%	13.2%
OR	9.7%	11.5%
RI	21.0%	
VA	21.6%	9.6%
VT	6.7%	2.5% - 4.4%
WA	21.0%	