

**LOUISIANA HEALTH SERVICE & INDEMNITY COMPANY
(BLUE CROSS AND BLUE SHIELD OF LOUISIANA)**

Blue Cross and Blue Shield of Louisiana Individual Market 2026 Rate Increase

The rate increases scheduled for January 1, 2026 for Blue Max Individual and Blue Saver Individual plans are higher than the 15% threshold outlined in the Affordable Care Act (ACA). As of April 30, 2025, these plans had 16,365 members enrolled. A subscriber's actual rate increase could vary depending on the benefit plan.

Considerations for the rate increase include:

- Expected medical trend, both utilization and cost of services
- Expected changes in the average morbidity
- Expected demographic shifts
- Expected selling, general, and administrative expenses, margin, and taxes and fees, including those that are applicable for 2026 under the ACA
- Expected payments and charges under the Risk Adjustment Program
- Continued absence of federal funding for the cost-sharing reductions, applicable to Individual Silver metal level plans
- Changes in cost-sharing levels

The proposed rate increases are expected to produce a projected federally prescribed 2026 single year medical loss ratio of 85.9%. This projected medical loss ratio meets the minimum requirement of 80.0% defined in the Affordable Care Act. If the actual three-year medical loss ratio were to fall below this level, Blue Cross and Blue Shield of Louisiana would pay rebates to members as the ACA requires.