



Renewal Planning & Strategy

Effective Date 1/1/2026



October 17, 2025

- **Current & Emerging Healthcare Trends**
- **Renewal: Strategy & Considerations**
- **One Big Beautiful Bill Act**
- **Compliance Updates**
- **Timeline & Next Steps**

Agenda



Medical Cost Trend

National

Health benefit cost growth has accelerated due to inflationary pressures.

In 2025, Employers can expect the total health benefit cost per employee to rise 7.0% on average based upon the Mercer National Survey.

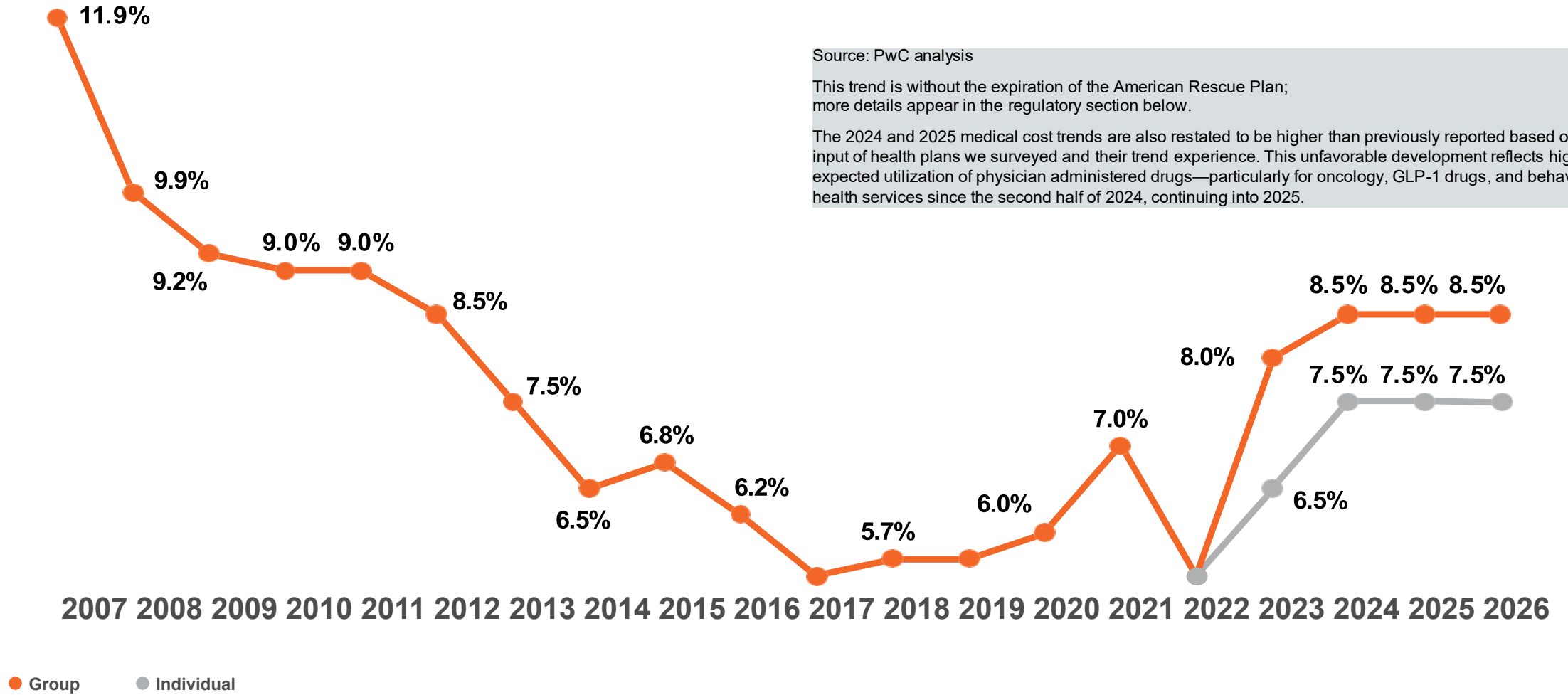
Employers in the 50-499 Fully Insured market are reporting that cost is expected to rise 9% on average if they take no action to lower cost.

In addition to inflationary pressures, health benefit costs are rising from the consolidation of health systems and the introduction of ultra expensive gene and cellular therapies.

The impact of GLP1s is also being felt as these costly drugs are used to treat diabetes and obesity.

Projected average total health benefit cost per employee in 2025 is \$17,458 per employee per year.

Medical Cost Trends



Source: PwC analysis

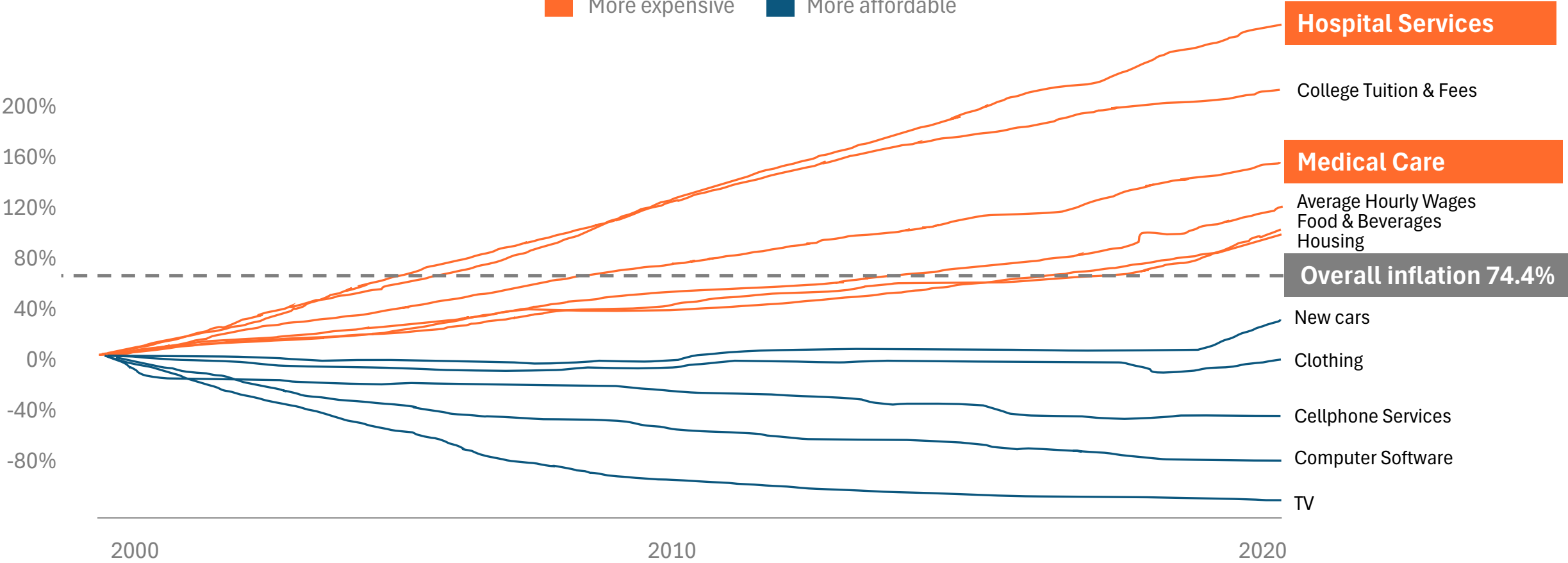
This trend is without the expiration of the American Rescue Plan; more details appear in the regulatory section below.

The 2024 and 2025 medical cost trends are also restated to be higher than previously reported based on the input of health plans we surveyed and their trend experience. This unfavorable development reflects higher than expected utilization of physician administered drugs—particularly for oncology, GLP-1 drugs, and behavioral health services since the second half of 2024, continuing into 2025.

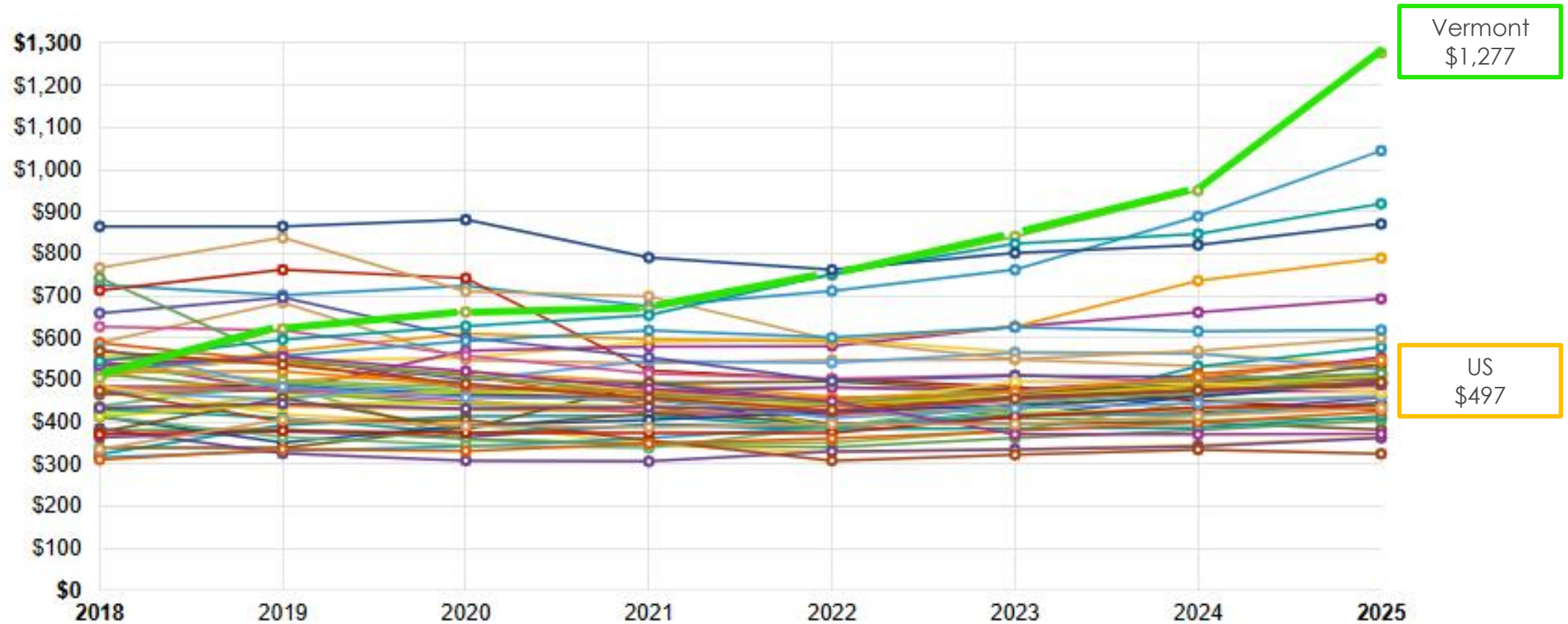
Medical Spend Continues to Greatly Outpace Overall Inflation

Price changes: January 2000 to June 2022

More expensive More affordable



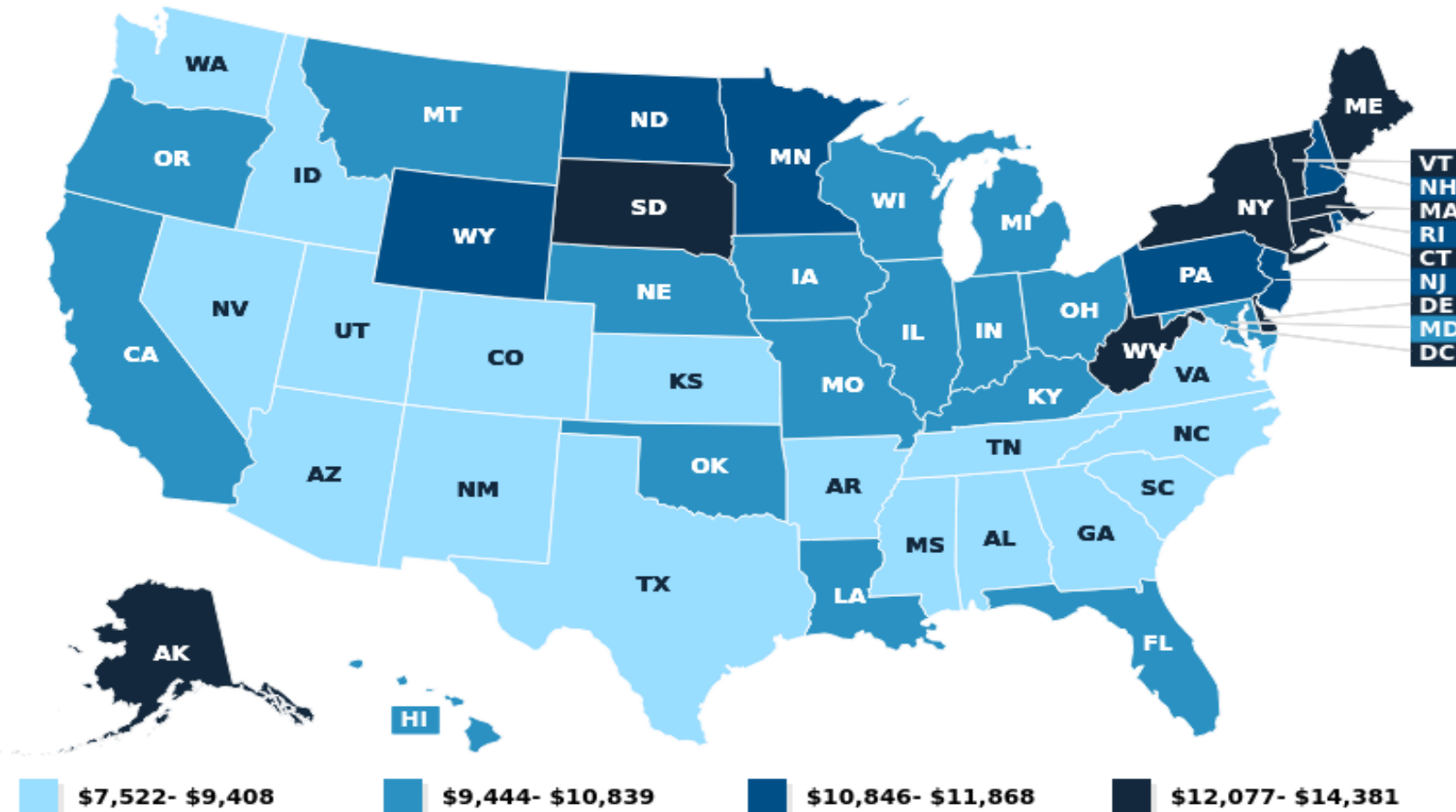
Average Marketplace Benchmark Premium - US



	2018	2019	2020	2021	2022	2023	2024	2025
United States	\$481	\$478	\$462	\$452	\$438	\$456	\$477	\$497
Vermont	\$505	\$622	\$662	\$669	\$749	\$841	\$950	\$1,277

Vermont Continues to be in Top Three Per Capita Costs State by Any Measure

Health Care Expenditures per Capita by State of Residence: Health Spending per Capita, 2020



SOURCE: KFF's State Health Facts.

Medicaid in Vermont – Affordability, Or Lack Thereof

168,000 children and adults are enrolled in Vermont Medicaid

Among all Medicaid enrollees in Vermont:

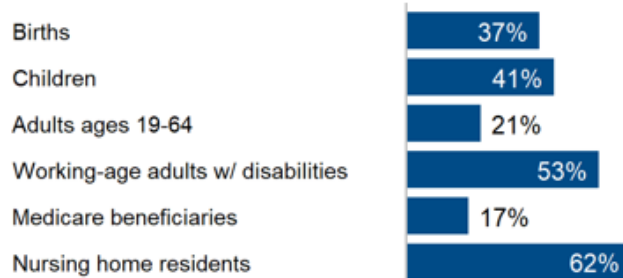
3 in 10 (33%) are children

3 in 5 (58%) live in a rural area

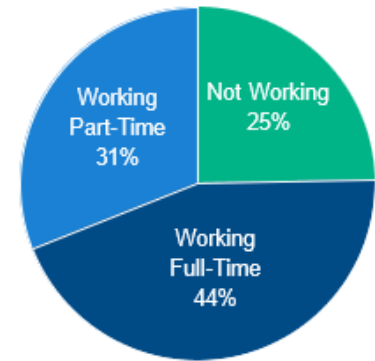
1 in 8 (13%) have three or more chronic conditions

VT expansion status: **Adopted**
 Adults in expansion group: **65,000**

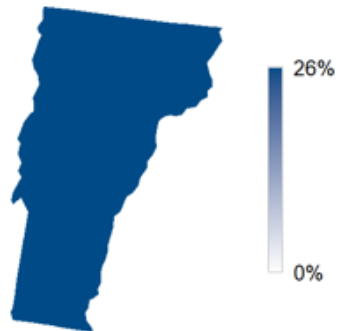
In Vermont, Medicaid covers...



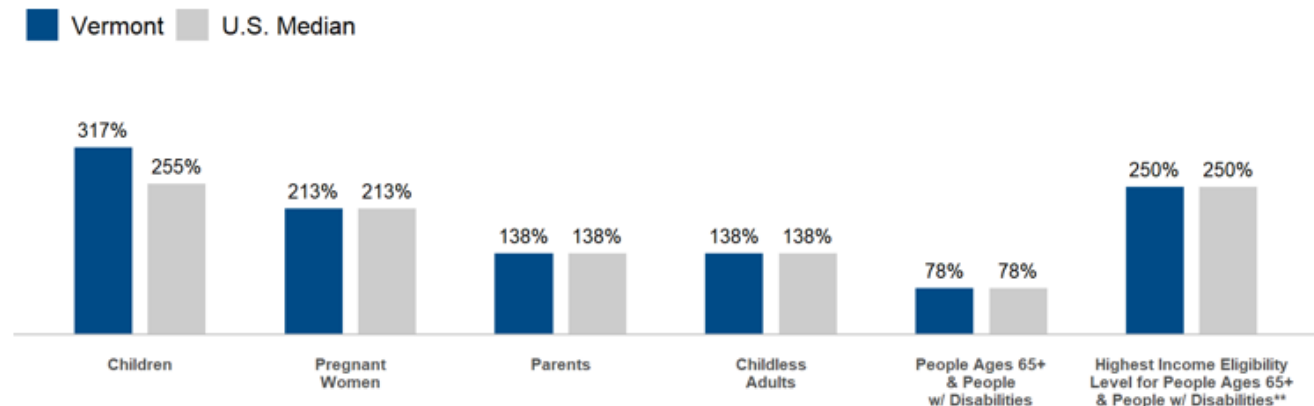
A majority (75%) of Medicaid adults are working in Vermont



Medicaid covers 26% of people in VT's only congressional district

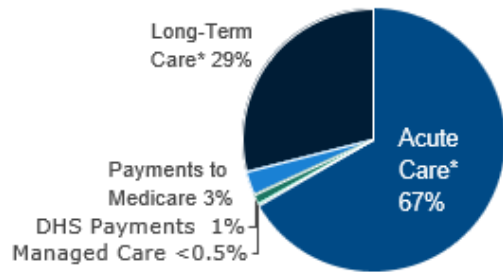


Medicaid eligibility limits as a percent of the federal poverty level (FPL)*



Medicaid in Vermont – By the Numbers

Total Medicaid spending in Vermont is \$2 billion



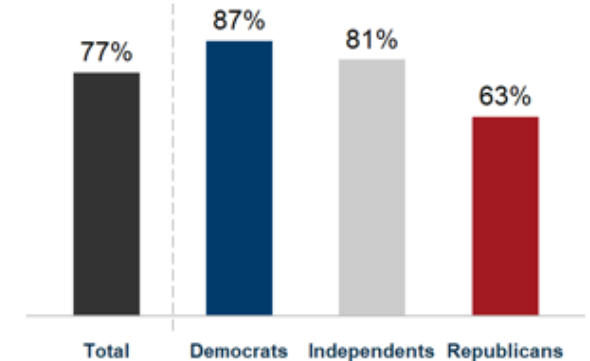
*Fee-for-Service

Financing for Medicaid is shared by states and the federal government; Vermont receives \$1.3 billion in federal Medicaid funding

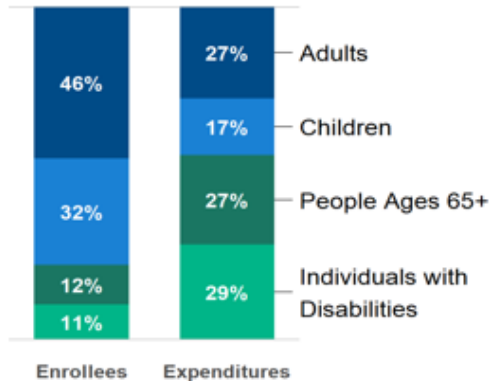


Federal funding is 66% of total Medicaid spending in Vermont

Most Americans hold favorable views of Medicaid



In Vermont Medicaid, people ages 65+ and people with disabilities are 23% of enrollees but account for 56% of spending

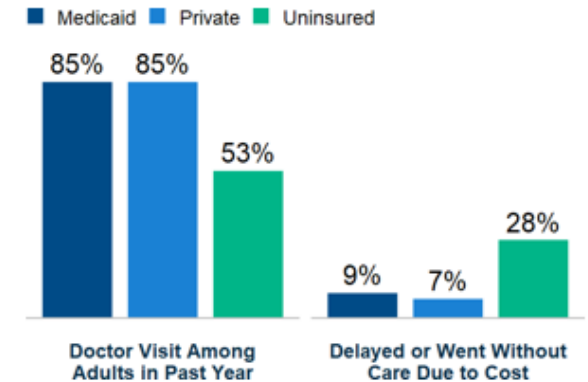


Per enrollee Medicaid spending is higher for individuals receiving home care

	Home care	Institutional care
Per-enrollee spending	\$44,942	\$107,578
Number of enrollees	9,800	2,900
People on waiting lists*	N/A	

*A waiting list includes people who are interested in, but are not receiving home care

Nationally, access to care is similar for adults with Medicaid and private insurance



Vermont Health Care Legislation & GMCB Actions (2025)

Key VT Legislation Passed or Advancing

House Bill 482 (Signed 6/5/25)

- Expands GMCB power to reduce hospital reimbursements if insurer faces insolvency.
- Allows mid-year reimbursement adjustments for budget target deviations.
- Mike Smith appointed to assess UVM Health Network cost-effectiveness.

Senate Bill 126 (Passed Senate)

- Health care reform: Reference-based pricing by 2027.
- AHS receives funding for transformation planning.
- Creates 3 new GMCB roles to design a **statewide delivery system plan** (due 2028).

Senate Bill 27 (Signed 5/15/25)

- Aims to eliminate **\$100M in medical debt**.
- Removes medical debt from **credit scores**.

House Bill 493 (Signed 5/21/25)

- \$10M in **health care stabilization grants**.
- \$4M for Medicaid tail-end claim coverage.
- \$2.2M for reform via GMCB & AHC.

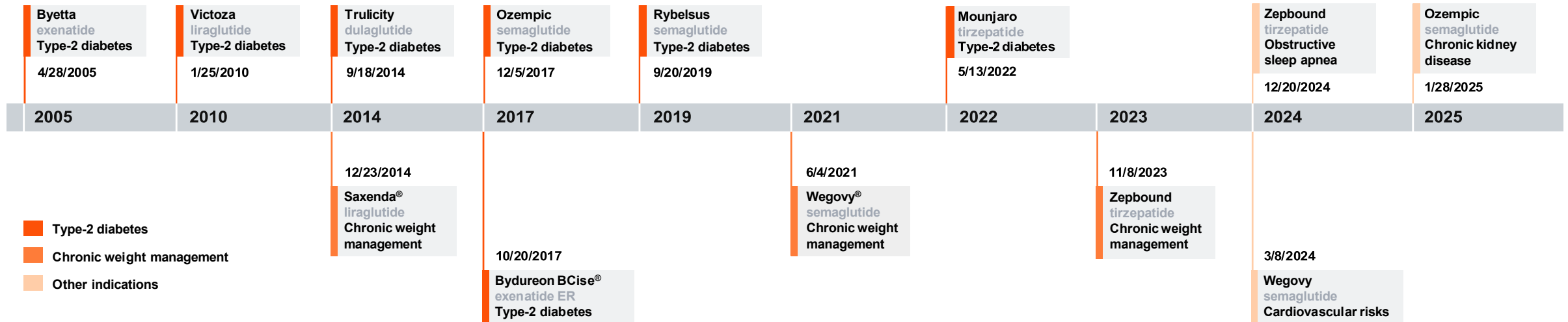
House Bill 266 (Signed 6/11/25)

- Caps **infusion drug reimbursement** at 120% ASP.
- Estimated **\$46M savings** for BCBSVT.
- Projected to **reduce premium growth by 3–4%**.

Green Mountain Care Board (GMCB) Update 8/22/25:

- BCBSVT (Individual Market): Requested 23.5% → GMCB approved 9.6%
- BCBSVT (Small Group Market): Requested 13.5% → GMCB approved 4.4%
- MVP (Individual Market): Requested 6.2% → GMCB approved 1.3%
- MVP (Small Group Market): Requested 7.5% → GMCB approved 2.5%

Timeline of GLP-1 Agonist Approvals by Indication

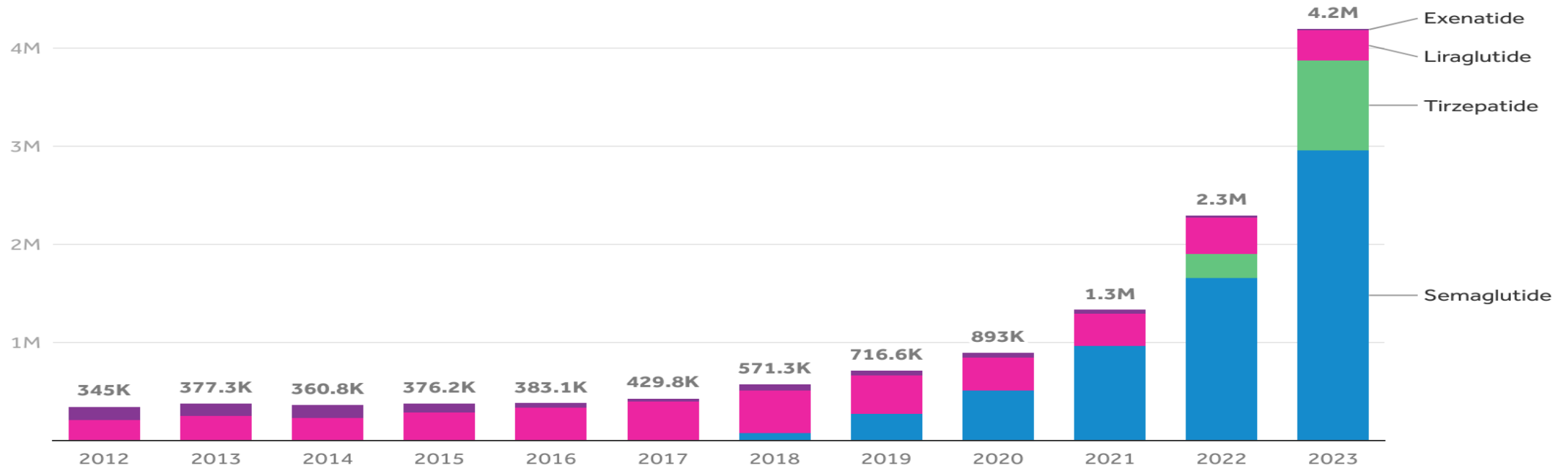


Proposed Indications	US Patients Estimates
Non-alcoholic Fatty Liver Disease (MASH)	22 Million
Neurodegenerative Diseases (e.g., Alzheimer's, Parkinsons)	600+ different disorders affecting 50 million
Polycystic Ovary Syndrome (PCOS)	5-6 Million women with PCOS
Prevent Onset of Type 2 Diabetes in High-Risk Individuals	97 Million at high-risk

Proposed Indications	US Patients Estimates
Gastrointestinal Disorders	60-70 Million
Psychiatric Disorders (mood disorders & cognitive function)	59 Million
Reducing or Eliminating Drinking, Smoking, and Gambling	55 Million
Obesity-Associated Cancers (13 Types)	800,000/year

The Explosion of GLP-1 Drug Use – the Next Big Cost Driver

Number of Americans with employer-sponsored health insurance using a GLP-1 agonist medication, 2012-2023



Note: Semaglutide includes drugs known by the brand names Ozempic, Wegovy, and Rybelsus. Tirzepatide includes drugs known by brand names Mounjaro and Zepbound.

Source KFF analysis of MarketScan data

Peterson-KFF
Health System Tracker

Current Plan Offerings

Plan Type	Carrier	Years	Participants	Renewal Notes
Medical	MVP	5+	13	Average renewal rates for the VT Health Connect Plans: BCBS 4.4% & MVP 2.5%.
LTD	NIS	4	19	Rate Guarantee to 6.30.26
STD	NIS	4	1	Rate Guarantee to 6.30.26

Medical Plan Design: Platinum

		CURRENT	RENEWAL	Option	
		2025 MVP Platinum (1)	2026 MVP Platinum (1)	2026 BCBS STD Platinum	
Deductible & Max Out of Pocket (MOOP)	Medical Deductible	\$450/\$900	\$500/\$1,000	\$500/\$1,000	
	Prescription (Rx) Deductible	\$0/\$0	\$0/\$0	\$0/\$0	
	Medical OOP	\$1,600/\$3,200	\$1,600/\$3,200	\$1,600/\$3,200	
	Prescription (Rx) OOP	\$1,600/\$3,200	\$1,600/\$3,200	\$1,600/\$3,200	
	Stacked or Aggregate? Combined OOP?	Stacked No	Stacked No	Stacked No	
Medical Services	Office Visit (OV)				
	Preventive (Prev)	\$0	\$0	\$0	
	PCP or Mental Health (MH)	3 \$0 OV then \$15 (no ded.)	3 \$0 OV then \$15 (no ded.)	3 \$0 OV then \$15 (no ded.)	
	Specialist	\$40 (no ded.)	\$30 (no ded.)	\$30 (no ded.)	
	Urgent Care (UC)	\$50 (no ded.)	\$40 (no ded.)	\$40 (no ded.)	
	Ambulance	\$60 (no ded.)	\$40 (no ded.)	\$60 (no ded.)	
	Emergency Room (ER)	Ded., then \$100	Ded., then \$100	Ded., then \$100	
	Inpatient Hospital Services	Ded., then 10%	Ded., then 10%	Ded., then 10%	
	Outpatient Hospital Services	Ded., then 10%	Ded., then 10%	Ded., then 10%	
	Chiropractic	\$20 (no ded.)	\$20 (no ded.)	\$20 (no ded.)	
	Acupuncture	Not Covered	Not Covered	Not Covered	
	Hearing Aids	Spec. visit/Ded., then 10%	Spec. visit/Ded., then 10%	Spec. visit/Ded., then 10%	
Diabetic Supplies	50% (no ded)	50% (no ded)	\$40		
Prescription Drugs	Wellness Rx Generic	\$10 (no ded)	\$10 (no ded)	\$10 (no ded)	
	Wellness Rx Preferred Brand	\$50 (no ded)	\$50 (no ded)	\$50 (no ded)	
	Wellness Rx Non-Preferred Brand	50% (no ded)	50% (no ded)	50% (no ded)	
	All other Rx Generic	\$10 (no ded)	\$10 (no ded)	\$10 (no ded)	
	All other Rx Preferred Brand	\$50 (no ded)	\$50 (no ded)	\$50 (no ded)	
	All other Rx Non-Preferred Brand	50% (no ded)	50% (no ded)	50% (no ded)	
Monthly Rates	Employee	1	\$1,203.09	\$1,216.19	\$1,409.43
	Employee + spouse/+1	4	\$2,406.18	\$2,432.38	\$2,818.86
	Employee + child(ren)	0	\$2,321.96	\$2,347.25	\$2,720.20
	Family/+2 or more	2	\$3,380.68	\$3,417.49	\$3,960.50
Annual Premium			\$211,070	\$213,368	\$247,270
% Change				1.09%	17.15%
\$ Change				\$2,298	\$36,200

Medical Plan Design: Gold HDHP

			CURRENT	RENEWAL	Option
			2025 MVP Gold HDHP NS (3)	2026 MVP Gold HDHP NS (3)	2026 BCBS VT Select Gold CDHP NS
Deductible & Max Out of Pocket (MOOP)	Medical Deductible		\$3,000/\$6,000	\$3,200/\$6,400	\$3,200/\$6,400
	Prescription (Rx) Deductible		Combined w/medical	Combined w/medical	Combined w/medical
	Medical OOP		\$3,000/\$6,000	\$3,200/\$6,400	\$3,200/\$6,400
	Prescription (Rx) OOP		\$1,650/\$3,300	\$1,700/\$3,400	\$1,700/\$3,400
	Stacked or Aggregate? Combined OOP?		Aggregate Yes	Aggregate Yes	Aggregate Yes
Medical Services	Office Visit (OV)				
	Preventive (Prev)		\$0	\$0	\$0
	PCP or Mental Health (MH)		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Specialist		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Urgent Care (UC)		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Ambulance		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Emergency Room (ER)		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Inpatient Hospital Services		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Outpatient Hospital Services		Ded., then \$0	Ded., then \$0	Ded., then \$0
	Chiropractic		Ded then 0%	Ded then 0%	Ded then \$0
	Acupuncture		up to \$500	up to \$500	Not Covered
Hearing Aids		Spec. visit/Ded., then 0%	Spec. visit/Ded., then 0%	Spec. visit/Ded., then 0%	
Diabetic Supplies		Ded then 0%	Ded then 0%	Ded then \$0	
Prescription Drugs	Wellness Rx Generic		\$10 (no ded)	\$10 (no ded)	\$25 (no ded)
	Wellness Rx Preferred Brand		\$15 (no ded)	\$15 (no ded)	65% (no ded)
	Wellness Rx Non-Preferred Brand		5% (no ded)	5% (no ded)	85% (no ded)
	All other Rx Generic		Ded., then \$0	Ded., then \$0	Ded., then \$0
	All other Rx Preferred Brand		Ded., then \$0	Ded., then \$0	Ded., then \$0
	All other Rx Non-Preferred Brand		Ded., then \$0	Ded., then \$0	Ded., then \$0
Monthly Rates	Employee	4	\$1,052.10	\$1,073.74	\$1,189.80
	Employee + spouse/+1	1	\$2,104.20	\$2,147.48	\$2,379.60
	Employee + child(ren)	0	\$2,030.55	\$2,072.32	\$2,296.31
	Family/+2 or more	1	\$2,956.40	\$3,017.21	\$3,343.34
Annual Premium			\$111,228	\$113,516	\$125,786
% Change				2.06%	13.09%
\$ Change				\$2,288	\$14,558

Medical Plan Design: Silver HDHP

		CURRENT	RENEWAL	Option
		2025 MVP Silver HDHP NS [®] (2)	2026 MVP Silver HDHP NS [®] (2)	2026 BCBS VT Select Silver CDHP NS [®]
Deductible & Max Out of Pocket (MOOP)	Medical Deductible	\$5,800/\$11,600	\$5,950/\$11,900	\$6,000/\$12,000
	Prescription (Rx) Deductible	Combined w/medical	Combined w/medical	Combined w/medical
	Medical OOP	\$5,800/\$11,600	\$5,950/\$11,900	\$6,000/\$12,000
	Prescription (Rx) OOP	\$1,650/\$3,300	\$1,700/\$3,400	\$1,700/\$3,400
	Stacked or Aggregate? Combined OOP?	Stacked Yes	Stacked Yes	Aggregate Yes
Medical Services	Office Visit (OV)			
	Preventive (Prev)	\$0	\$0	\$0
	PCP or Mental Health (MH)	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Specialist	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Urgent Care (UC)	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Ambulance	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Emergency Room (ER)	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Inpatient Hospital Services	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Outpatient Hospital Services	Ded., then 0%	Ded., then 0%	Ded., then 0%
	Chiropractic	Ded then 0%	Ded then 0%	Ded then \$0
	Acupuncture	up to \$500	up to \$500	Not Covered
Hearing Aids	Spec. visit/Ded., then 00%	Spec. visit/Ded., then 00%	Spec. visit/Ded., then 0%	
Diabetic Supplies	Ded then 0%	Ded then 0%	Ded then \$0	
Prescription Drugs	Wellness Rx Generic	\$0 (no ded)	\$0 (no ded)	\$15 (no ded)
	Wellness Rx Preferred Brand	\$0 (no ded)	\$0 (no ded)	\$50 (no ded)
	Wellness Rx Non-Preferred Brand	\$0 (no ded)	\$0 (no ded)	60% (no ded)
	All other Rx Generic	Ded., then 0%	Ded., then 0%	Ded., then \$0
	All other Rx Preferred Brand	Ded., then 0%	Ded., then 0%	Ded., then \$0
	All other Rx Non-Preferred Brand	Ded., then 0%	Ded., then 0%	Ded., then \$0
Monthly Rates	Employee	0	\$826.68	\$870.03
	Employee + spouse/+1	0	\$1,653.36	\$1,740.06
	Employee + child(ren)	0	\$1,595.49	\$1,679.16
	Family/+2 or more	0	\$2,322.97	\$2,444.78

Annual Premium

% Change

\$ Change

5.24%

16.57%

Medical Plan Costs

	CURRENT 2025 MVP	RENEWAL 2026 MVP	OPTION 2026 BCBS
Total Plan Cost			
Platinum	\$211,070	\$213,368	\$247,270
Non-Standard Gold HDHP	\$111,228	\$113,516	\$125,786
Non-Standard Silver HDHP	\$0	\$0	\$0
H.S.A Contributions for Gold Plan	<u>\$3,244</u>	<u>\$2,202</u>	<u>\$8,319</u>
	\$325,542	\$329,086	\$381,375
Employee Contributions (10% of Platinum)	<u>\$21,107</u>	<u>\$21,337</u>	<u>\$24,727</u>
	\$304,435	\$307,749	\$356,648
Additional Costs			
Advisor Fees (PEPM)	\$2,840	\$2,840	\$2,840
Annual Cost:	\$307,275	\$310,589	\$359,488
% Change:		1.08%	16.99%
\$ Change:		\$3,315	\$52,213

HSA Compliance Update

Type of Limit		2025	2026	Change
HSA Contribution Limit	Self Only	\$4,300	\$4,400	Up \$100
	Family	\$8,550	\$8,750	Up \$200
HSA Catch-up Contributions (not subject to adjustment for inflation)	Age 55 and older	\$1,000	\$1,000	No Change
HDHP Minimum Deductible	Self Only	\$1,650	\$1,700	Up \$50
	Family	\$3,300	\$3,400	Up \$100
HDHP Maximum Out-of-Pocket Expense Limit (deductibles, copayments and other amounts)	Self-Only	\$8,300	\$8,500	Up \$200
	Family	\$16,600	\$17,000	Up \$400



One Big Beautiful Bill Act and the Impact on Employee Health Benefits

HDHP Telehealth Exception

To be eligible for HSA contributions, individuals cannot be covered by a health plan that provides benefits, except preventive care benefits, before the minimum HDHP deductible is satisfied for the year. Historically, individuals who were covered by telehealth programs that provided free or reduced-cost medical benefits were not eligible for HSA contributions.

A pandemic-related relief measure temporarily allowed HDHPs to waive the deductible for telehealth services without impacting HSA eligibility. This relief expired at the end of the 2024 plan year. However, the OBBB Act **permanently extends the ability of HDHPs to provide benefits for telehealth and other remote care services** before plan deductibles have been met without jeopardizing HSA eligibility. This extension applies to plan years beginning after Dec. 31, 2024.

Dependent Care FSAs

Employers can provide dependent care assistance benefits for their employees on a tax-free basis, subject to a maximum annual limit. These benefit plans are referred to as dependent care FSAs (or dependent care assistance programs, DCAPs). Effective Jan. 1, 2026, the OBBB Act increases the maximum annual limit for dependent care FSAs to **\$7,500** for single individuals and married couples filing jointly and **\$3,750** for married individuals filing separately (up from \$5,000 and \$2,500, respectively). The new limit is not adjusted for inflation.

HSA Expansion

The OBBB Act expands HSA eligibility by allowing individuals with direct primary care (DPC) arrangements to contribute to an HSA, as long as their monthly DPC fees do not exceed \$150 (\$300 for family coverage), with these limits adjusted annually for inflation. The Act also permits HSA funds to be used to pay for DPC fees. Additionally, to increase HSA access in the individual market, all bronze and catastrophic plans available through the ACA Exchange are now classified as high-deductible health plans (HDHPs).

Mental Health Parity Comparative Analysis for NTQLs (2021)

The Mental Health Parity and Addiction Equity Act (MHPAEA) requires parity between a health plan's medical/surgical benefits and its mental health or substance use disorder (MH/SUD) benefits. In addition, any nonquantitative treatment limitations (NQTLs) placed on MH/SUD benefits must comply with MHPAEA's parity requirements.

HIPAA Privacy Protection for Reproductive Health Care

Final rule vacated which imposed federal restrictions on disclosing patient information related to reproductive health services (through attestation). Relevant state laws reproductive health care remain in effect and must be complied with.

Annual Notices & Health Plan Reporting

Employers must provide certain health plan notices, like the Summary of Benefits and Coverage (SBC) at open enrollment, while other notices must be distributed annually. They are also required to regularly report health plan information to regulatory agencies to ensure compliance and transparency. Failure to meet notice and reporting requirements can lead to penalties, legal issues, and employee confusion.

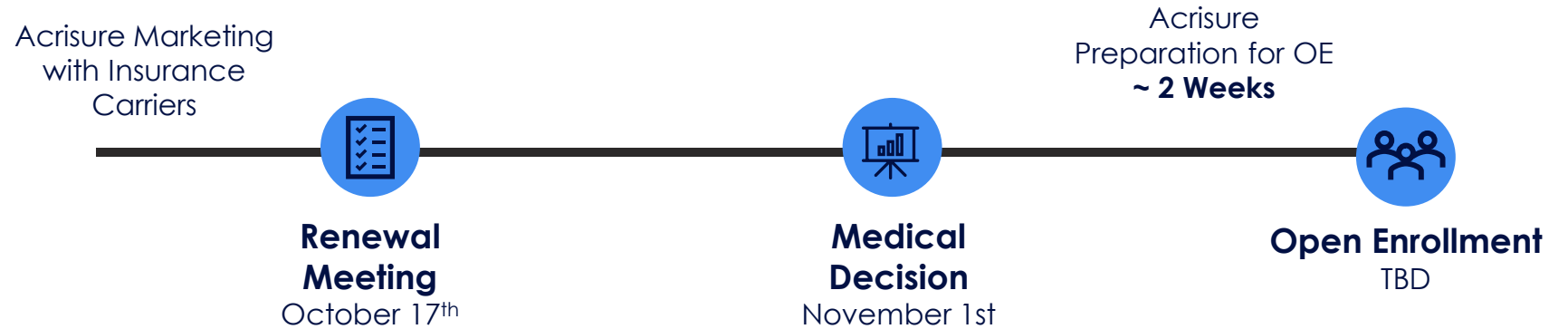
Health Plan Compliance Obligations

Next Steps

Hard Deadlines

Medical Enrollment to Carrier

December 5th



**Thank You
from Your
Acrisure Team!**



Gail
Account Executive



Ashley
Account Manager