OFFICE OF THE
HEALTH INSURANCE COMMISSIONER
STATE OF RHODE ISLAND

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2027 Commercial Health Insurance Rates Approved with Modifications

Approved average rate increases for each market are lower than 2026. Implementation of new state programs underway to make health care more affordable and lower cost trends.

CRANSTON, R.I. (September 29, 2026) – Commercial health insurance premiums for 2027 newly approved by the State of Rhode Island's Office of the Health Insurance Commissioner (OHIC) will save Rhode Islanders $86.7 million in 2027 compared to what the commercial health insurers initially requested. Rates are going up overall primarily due to rising health care costs.

The average approved rate increase for the 2027 individual market is 12.4%, 7.7 percentage points lower than the average requested increase. For the 2027 small group market, the average approved rate increase is 3.8%, 4.9 percentage points lower than the average requested increase. At 9.5%, the approved average large group market rate increase is 6 percentage points lower than the average requested increase.

"Rising health care costs continue to present a financial burden and barrier to care for too many Rhode Islanders," said Health Insurance Commissioner Cory King. "The Office of the Health Insurance Commissioner is committed to working in collaboration with all stakeholders to make health care more affordable."

In the months since the rate filings were submitted in May, OHIC has reviewed the medical and pharmacy expense trend assumptions, administrative charges, and margin requests for each insurer. Additionally, OHIC staff reviewed the benefit coverage documents for each health plan to ensure compliance with state and federal laws.

OHIC's rate review produced several changes to the rates requested by insurers in May. Key changes include:

- **Medical utilization and severity trend assumptions**: OHIC performed its own trend analysis and identified changes to insurers' medical utilization and severity trend assumptions. OHIC adopted these changes to lower rates.
- **Insurer administrative costs**: OHIC's decision caps administrative cost increases at the rate of general inflation, excluding food and energy commodities.

- **State health insurance fee**: The General Assembly repealed the approximately $4 per person per month fee established in the FY 2026 budget, as requested by Governor McKee. This was removed from the 2027 premiums.

Easing Consumer Cost Burden

In a program proposed by Governor McKee in the FY 2027 budget and funded by the General Assembly, Rhode Islanders who purchase their own coverage through HealthSource RI may qualify for new state premium subsidies in 2027 under the Rhode Island Marketplace Affordability Program. The program, created in response to the expiration of enhanced federal premium tax credits, provides financial assistance to about 20,000 income-eligible customers to help make health insurance more affordable.

To address rising health care costs, Governor McKee included in his FY 2027 budget recommendation a legislative proposal drafted by OHIC to increase accountability for health care cost growth by insurers and large provider entities, while emphasizing increased investment in primary care. The General Assembly approved this recommendation in June. The law provides OHIC new authorities to set health care cost growth targets and all-payer primary care investment targets, collect and publicly report data, hold an annual public hearing, and require performance improvement plans for health care entities that exceed the cost growth targets. The new law is informed by OHIC's analysis of approaches taken in California, Connecticut, Delaware, Massachusetts, Oregon, and Washington.[1]

Overview of Approved Rates

Tables 1 – 3, below, summarize the approved rates for 2027 and the enrollment with each insurer, by market, as of March 2026. The rate change approved by OHIC is shown along with the rate change requested by the insurers in the May filings. Overall, the OHIC approved weighted average rate changes are 12.4% for the individual market, 3.8% for the small group market, and 9.5% for the large group market.

Table 1: Individual Market Approved – Weighted Average Rate Change

Insurer	Enrollment	2027 – Approved	2027 – Requested
BCBSRI	16,138	4.9%	9.8%
NHPRI	34,555	15.8%	24.9%
Total / Wt. Avg.	50,693	12.4%	20.1%

[1] See Review of State Cost Growth Target Programs. February 9, 2026. Office of the Health Insurance Commissioner.

Table 2: Small Group Market Approved – Weighted Average Rate Change

Insurer	Enrollment	2027 - Approved	2027 – Requested
BCBSRI	36,685	2.9%	7.7%
NHPRI	2,842	13.6%	16.6%
UHCNE	134	6.9%	17.1%
UHIC	1,083	9.0%	19.0%
Total / Wt. Avg.	40,744	3.8%	8.7%

Table 3: Large Group Market Approved – Weighted Average Rate Change

Insurer	Enrollment	2027 – Approved	2027 – Requested
BCBSRI	52,119	7.9%	12.2%
UnitedHealthcare	8,917	17.7%	34.9%
HPIC/HPHC	5,759	10.8%	15.9%
Aetna	1,711	10.3%	13.8%
Cigna	42	5.5%	12.5%
Total / Wt. Avg.	68,548	9.5%	15.5%

The approved rates do not apply to self-funded employer groups that account for approximately 65% of Rhode Islanders with employer-sponsored coverage. Self-funded employers pay the health care expenses of their employees and dependents directly, commonly relying on health insurance companies for administrative services, such as member enrollment, provider contracting, and claims processing.

Separately, the Attorney General hired a health economist to provide testimony during NHPRI's public hearing for the individual market rate filing and submitted comments and a Consumer and Economic Impact Report on BCBSRI's individual market rate filing. Consistent with last year, however, the Attorney General chose to not review health insurance rates for employer-sponsored plans. Employer-sponsored plans account for 68% of the fully insured market.

How Rhode Island's 2027 Rate Increases Compare to Neighboring States

The 2027 premiums approved by OHIC are primarily driven by increases in the cost of health care. Insurer spending on health care services, like hospital care, physician services, and prescription drugs is the key driver of premium increases each year. This is not unique to Rhode Island. A recent analysis by researchers at the Health Care Affordability Lab at Yale University found that between 2011 and 2024 growth in health care spending accounted for 91% of the growth in premiums across states.[2] Rising premiums and out-of-pocket payments place an increasing burden on Rhode Islanders. A recent survey by the University of Rhode Island found that health care costs "were the most-common worrisome household expense over groceries, gas, monthly rent and other expenses among respondents" and "29% of Rhode Islanders did not pursue doctor-recommended procedures, tests or other evaluations in the last 12 months," primarily due to cost.[3]

Rising premiums have been a national issue in recent years, affecting all states. The Peterson-KFF Health System Tracker found that nationally median requested premium increases for 2027 were 15% for individual market plans[4] and 14% for small group market plans.[5] Regionally, neighboring states have approved rate increases for 2027. In Connecticut, the approved average rate increase is 11.3% for individual market plans and 15.1% for small group plans.[6] In Maine, the approved average rate increase is 14.8% for individual market plans and 13.5% for small group plans.[7] In Massachusetts, the approved rate increase for the merged market is 10.8%.[8] This compares to Rhode Island's average increases of 12.4% for individual market plans and 3.8% for small group plans. Rhode Island is a leader in performing prior approval rate reviews for plans sold to large group employers. However, since many states do not perform rate reviews for large group plans comparisons to Rhode Island rate approvals are not available.

More Rate Review Resources

For more information on the filings please visit: https://ohic.ri.gov/regulatory-review/rate-review

For more information on the health insurance market in Rhode Island see: Rhode Island 2025 Market Summary.

[2] Cooper Z, Craig SV. Health Care Spending and Insurance Premiums Among the Privately Insured. JAMA Health Forum. 2026;7(9):e263005. doi:10.1001/jamahealthforum.2026.3005. Also see the Health Insurance Premium Tool at https://premiums.healthcareaffordabilitylab.org/

[3] Poll: 72% of Rhode Islanders feel healthcare costs are too high; some are going without treatment. September 1, 2026. University of Rhode Island, Rhode Island Survey Initiative. https://www.uri.edu/news/2026/09/poll-72-of-rhode-islanders-feel-healthcare-costs-are-too-high-some-are-going-without-treatment/

[4] https://www.healthsystemtracker.org/brief/how-much-and-why-aca-marketplace-premiums-are-going-up-in-2027/#Distribution%20of%20proposed%202027%20rate%20changes%20among%20276%20ACA%20Marketplace%20insurers

[5] https://www.healthsystemtracker.org/brief/how-much-and-why-premiums-are-going-up-for-small-businesses-in-2027/#Distribution%20of%20proposed%202027%20rate%20changes%20among%20295%20ACA-compliant%20small%20group%20insurers

[6] https://www.catalog.state.ct.us/cid/portalApps/HealthCareFiling2027.aspx

[7] https://www.maine.gov/pfr/insurance/press/maine-bureau-of-insurance-releases-2027-health-insurance-premiums-for-individual-and-small-group

[8] https://www.mass.gov/info-details/2027-health-insurance-rates