

Blue Cross Blue Shield of Massachusetts Announces Third Quarter 2024 Financial Results

Year-to-date operating loss of \$114 million due in part to skyrocketing claims for GLP-1 medications

BOSTON - November 15, 2024 — [Blue Cross and Blue Shield of Massachusetts](#) Inc. and Blue Cross and Blue Shield of Massachusetts HMO Blue, Inc. (together, “Blue Cross”) today reported a combined after-tax third quarter net income of \$29.2 million on revenue of \$2.4 billion (1.21% net margin). These results reflect an operating and other loss of \$19.8 million (-0.77% operating margin) and investment income of \$49 million. Compared to a year ago, Q3 operating and other income is down \$145 million and net income is down \$135.1 million.

Year-to-date, Blue Cross reported a combined after-tax net income of \$27.1 million on revenue of \$7.2 billion (0.38% net margin). These results reflect an operating and other loss of \$113.8 million (-1.75% operating margin) and investment income of \$141 million.

“We continue to see a significant escalation in spending on medical and pharmacy services; in fact, the growth in spending is the highest in at least a decade,” said Chief Financial Officer Ruby Kam. “While the increase in spending is across almost all categories of services, the growth in spending on new and popular GLP-1 weight loss medications is worth noting.”

Kam added that 2,000 Blue Cross members are starting GLP-1 medications every month, and our spending on GLP-1s has risen by 250% over last year, putting us on track to spend nearly \$200 million on these medications in 2024.

“We anticipate our overall operating losses to continue through year end,” Kam noted. “Despite strong investment income, we expect to finish the year with a net loss.”

Blue Cross is the leading private health plan in Massachusetts with 3 million members.

About Blue Cross Blue Shield of Massachusetts

Blue Cross Blue Shield of Massachusetts (bluecrossma.org) is a community-focused, tax-paying, not-for-profit health plan headquartered in Boston. We are committed to showing up for everyone like they’re the only one and guiding our members to the exceptional health care they deserve – affordably, equitably and seamlessly. In keeping with our commitment, we are rated among the nation's best health plans for member satisfaction and quality. Connect with us on [Facebook](#), [Twitter](#), [YouTube](#), and [LinkedIn](#).

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