Blue Cross Blue Shield of Massachusetts Announces Third Quarter 2026 Financial Results

BOSTON — November 13, 2026 —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 $2.2 million on revenue of $2.7 billion (0.1% net margin). These results reflect an operating and other loss of $43.5 million (-1.6% operating margin) and investment income of $45.7 million.

Year-to-date, Blue Cross reported a combined after-tax net income of $145.1 million on revenue of $8.1 billion (1.8% net margin). These results reflect an operating and other income of $9.5 million (0.1% operating margin) and investment income of $135.6 million. These results also reflect a premium deficiency reserve.

The big picture: Like health plans across the country, Blue Cross is facing higher costs to cover member care. Our results this quarter were driven primarily by increased spending on prescription medications for our members - particularly expensive specialty drugs - as well as an ongoing rise in the complexity and intensity of medical care. To help offset these rising costs, we tightly managed our own administrative expenses, maintaining our commitment to running an efficient organization.

What they're saying: "While we are seeing signs of stability across our overall financial health, we are still operating in an exceptionally high-cost environment,” said Ruby Kam, chief financial officer at Blue Cross. “Healthcare spending nationally is rising at rates we haven’t seen since the early 1980s, and here in Massachusetts, cost growth has exceeded state benchmarks for four years running. Steep increases in specialty drug prices and complex care demand continue to drive up expenses. Our disciplined internal spending and positive investment returns help buffer these pressures today, but they aren't a permanent fix. To make coverage truly affordable for our members and employer customers, we must address these underlying cost drivers.”

Why it matters: Because we are a not-for-profit health plan, we do not answer to shareholders. When we are able to generate positive earnings, we can then invest in initiatives that improve care quality and help manage costs for our members and employer customers. It also ensures we remain a stable, trusted partner they can rely on for years to come.

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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