



# State & Local Compliance Update

## USI EMPLOYEE BENEFITS

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## Massachusetts Releases 2026 MCC Limits

The Commonwealth Health Insurance Connector Authority (“Health Connector”) recently published [Administrative Bulletin 01-25](#) to provide annual guidance regarding certain provisions of the Minimum Creditable Coverage (“MCC”) regulation, [956 CMR 5.00](#). Specifically, this Bulletin describes the calculation of the deductible limits and out-of-pocket maximums for 2026 and provides those respective dollar amounts. All limits increased from 2025.

### BACKGROUND

On July 1, 2007, the Massachusetts Health Care Reform Act became effective. A component of this Act included an individual mandate, requiring Massachusetts residents 18 and older to have MCC or pay a penalty on their state income tax return. MCC requirements apply to individuals, not health insurance plans or employers. While employers are not required to provide health plans that meet MCC, their Massachusetts resident employees must enroll in MCC to avoid significant penalties.

### DEDUCTIBLE LIMITS – 956 CMR 5.03(2)(B)

The 2007 regulations mandated a \$2,000/\$4,000 deductible limit and a separate prescription deductible limit of up to \$250/\$500 for in-network covered services. Subsequent regulations required indexing the deductible limits to the annual out-of-pocket maximum (“OOPM”) adjustment percentage under federal law, rounded down to the next \$50.

Administrative Bulletin 01-25 sets the 2026 maximum MCC deductibles as **\$3,200/\$6,400**. If the plan has a separate prescription drug deductible, the amounts cannot exceed **\$400/\$800** and the total maximum deductible applies.

### OOPMs – 956 CMR 5.03(2)(C)

In 2017, the Health Connector published [Administrative Bulletin 02-17](#), tying the indexed OOPMs under MCC to the federally indexed OOPMs that apply to non-grandfathered plans.

For 2026, the OOPMs under MCC will be **\$10,150/20,300**.

## WHAT ELSE DO YOU NEED TO KNOW?

Administrative Bulletin 01-25 takes effect immediately; the changes applicable to employer-sponsored plans will be incorporated with plan years beginning on or after January 1, 2026.

## RESOURCES

- Administrative Bulletin 01-25: <https://www.mahealthconnector.org/wp-content/uploads/AdminBulletin01-25.pdf>
- 956 CMR 5.00 Minimum Creditable Coverage: <https://www.mass.gov/doc/956-cmr-5-minimum-creditable-coverage/download>
- Massachusetts Health Care Reform Rules and Regulations: <https://www.mahealthconnector.org/about/policy-center/rules-regulations>

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