

Study: Proposed Obamacare rates average 12 percent higher for 2016

06/15/2015

<http://www.cnybj.com/News/Articles/TabId/102/ArticleId/41588/language/en-US/study-proposed-obamacare-rates-average-12-percent-higher-for-2016.aspx#.VX-WZvmqqkp>

Rate filings for nearly 4,000 plans nationwide indicate Affordable Care Act premiums will be



an average of 12 percent higher for 2016.

That's according to a new study from HealthPocket.com, which analyzed rate filings for more than 3,700 health plans in 45 states.

It compared premiums for 40-year old non-smokers in the largest city in each state, according to a June 10 news release on the findings.

Rate proposals for silver plans had premiums that were an average 14 percent higher compared to 2015, HealthPocket said.

The federal government groups marketplace health-insurance plans into categories that include silver, gold, bronze, and platinum.

HealthPocket described silver plans as the "most popular" exchange plan during the 2015 enrollment period, accounting for 67 percent of marketplace-plan selections.

Gold plans had an average increase of 16 percent, the "greatest" increase proposed for 2016, according to the HealthPocket analysis.

The 2016 rate proposals for bronze plans were an average of 9 percent higher, compared to 2015.

Platinum plans, the “top tier” of Affordable Care Act plans, had an average 6 percent increase in rates for 2016, HealthPocket found.

HealthPocket also found that rate increases varied “significantly,” depending on the type of health plan.

For example, the rate proposals in bronze plans for HMO (health-maintenance organization) and EPO (exclusive-provider organization) plans were 20 percent higher compared to 2015, while PPO (preferred-provider organization) plans were only 4 percent higher compared to 2015.

HealthPocket noted that consumers won’t “necessarily” pay the health-insurance premiums proposed within the rate filings. The insurance regulators specific to each state in which the carriers filed the rates must review and approve the proposed rates.

That process may result in the reduction of some of the proposed rates.

At the same time, subsidies will mean the premium increases for some consumers won’t be as high, HealthPocket said.

2016 rates represent the first time Affordable Care Act insurers have had a full year of medical-claims data (including the post-deductible period) to determine rates for the new enrollee pools that the law enables, HealthPocket said.

Prior to the enactment, applicants in most states with expensive pre-existing conditions risked rejection from privately purchased health insurance.

“Given the exclusion of this population in the pre-reform market, historical data on enrollee pools had limited value for setting Affordable Care Act rates,” according to the HealthPocket news release.

About HealthPocket

HealthPocket.com is a free website that compares and ranks all health-insurance plans, “helping individuals, families, and small businesses to make their best health plan decisions,” according to its news release.

HealthPocket publishes health-insurance market analyses and other consumer-advocacy research.

Its research is “nonpartisan and uses only objective data from government, nonprofit, and private sources that carry no conditions that might restrict the site from serving as an unbiased resource,” the news release said.

HealthPocket Inc. is independently managed and based in Mountain View, California.