



FOR IMMEDIATE RELEASE:

February 15, 2012

CONTACT:

Elisabeth R. Benjamin, Community Service Society, (212) 614-5461 or (917) 364-3332

DEPARTMENT OF FINANCIAL SERVICES TO PERFORM RANDOM AUDITS OF HEALTH INSURER RATE FILINGS

(New York, NY) [Health Care For All New York](#) (HCFANY), a coalition of more than 120 consumer advocacy organizations, applauds today's announcement by the Department of Financial Services that it plans to perform random audits of health insurer rate filings in an effort to improve data accuracy and contain costs.

"It is gratifying to see the insurance department taking steps to contain costs for consumers and small businesses and to improve transparency in the rate review system," said Elisabeth Benjamin of the Community Service Society. "While the recent reinstatement of the prior approval process has done much to curb the rate of premium rate growth, these new audits will be a big step forward for the Department's ability to protect consumers and small businesses from unfair premium rate hikes."

The audits will be funded by a \$4.4 million federal grant from the Department of Health and Human Services, which was granted to New York under the premise of enhancing the state's rate review process, improving transparency, and improving public access into the rate review process.

"Women and our families across New York are relieved to know that the state is taking a close look at insurer premium hike requests," said Lois Uttley of Raising Women's Voices. "When we sit at the kitchen table trying to balance our families' budgets, we want to know that every penny in the insurance premiums we pay is really justified, and not inflated by huge CEO salaries, advertising or other administrative costs."

"People with serious illnesses and disabilities struggle to stay insured as premiums continue to rise," said Heidi Siegfried of New Yorkers for Accessible Health Coverage. "It is critical that any rate hike be absolutely justified."

These new audits will be performed in part by an independent accounting firm, which will assist the Department in reviewing previously filed rate requests to determine if the data provided by insurers to justify rate increases is indeed fair and accurate.

"We applaud the insurance department's decision to implement a third party audit system to scrutinize insurance rates," said Theo Oshiro of Make the Road NY. "In this economy, people are struggling to pay their bills and health insurance premiums are often a huge lift even for middle income families. Making sure that insurance companies are being fair in what they charge is good government and good for New York State's families."

###