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## **NEW YORK'S TRANSPARENT RATE REVIEW PROCESS PROTECTS CONSUMERS FROM PREMIUM INCREASES**

**Albany, NY**— Health Care for All New York (HCFANY), a statewide coalition of over 170 consumer advocacy organizations, congratulates the Department of Financial Services on using the rate review process to review proposed premium increases. Carriers requested an average increase of 19.3 percent for the individual market and 12.3 percent in the small group market. Because of the rate review process, those requests were reduced to an average of 16.6 percent and 8.3 percent respectively. While any premium increase is difficult for consumers to bear, rate review limits increases to those that are justified by legitimate cost trends in the health insurance market. “Rate review has once again saved New Yorkers money – this year, a total of \$302 million,” says Mark Scherzer, legislative council for New Yorkers for Accessible Health Coverage. “Those savings are real dollars that will directly increase consumers’ budgets.”

“Some carriers’ requests had more merit than others,” said Bob Cohen, Policy Director at Citizen Action of New York. “New York’s rate review process allows the public to identify carriers whose requests are out of line with their peers and to tell regulators directly how premium costs affect their lives. New York’s strong rate review process allows strong consumer participation and provides a good model for other states to follow.”

Consumers who are concerned about high premiums should remember that these average increases will not necessarily reflect large increases to individuals, because most individuals who purchase marketplace plans receive premium subsidies. Premium increases should also be considered in context. The Affordable Care Act (ACA) did not eliminate premium increases, but it did successfully slow them down. Consumers are paying lower premiums today than was projected pre-ACA and are getting plans that offer significantly better benefits for their money.<sup>1</sup>

Additionally, concerned consumers should take advantage of the marketplaces created by the Affordable Care Act to shop around. “We encourage every New Yorker to take advantage of the New York State of Health (NYSOH) website to look for deals,” said Elisabeth Benjamin, Vice President of Health Initiatives at the Community Service Society of New York. “They’re out there, and the NYSOH allows consumers to compare plans based on prices more than ever before. Local, in-person enrollment assistors are there to help consumers identify their best options.”

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<sup>1</sup> Loren Adler and Paul B. Ginsburg, “Obamacare Premiums are Lower Than You Think,” Health Affairs Blog (July 21, 2016), <http://healthaffairs.org/blog/2016/07/21/obamacare-premiums-are-lower-than-you-think/>.