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## **ANALYSIS: ONE IN THREE HEALTH PLANS FAILS TO MEET ACA STANDARDS FOR OUT-OF-POCKET SPENDING**

*State-by-state analysis shows 36% of health insurance plans would exceed even most permissive ACA plan limits on out-of-pocket expenses for consumers*

Sunnyvale, CA – A new [analysis](#) from HealthPocket, Inc., shows that 38 percent of U.S. health insurance plans are concealing consumers' true out-of-pocket costs by failing to include the deductible amount consumers must pay. These plans will not only need to adopt more transparency by 2014 when the Affordable Care Act (ACA) provisions come into effect, many will also need to reduce the out-of-pocket burden on their customers to meet even the most basic plan options under health reform.

Beginning in 2014, insurers will be required to offer plans that fit within four levels of coverage: [Bronze](#), Silver, Gold, and Platinum. Most Americans will be required to purchase at least a 'Bronze-Level' Plan, which has the highest out-of-pocket option for the consumer. The new ACA plans would cap current out-of-pocket costs to \$6,250 per calendar year. The HealthPocket analysis revealed that when plan deductible amounts were taken into account, 36 percent of all health plans had higher out-of-pocket limits than what Bronze Plans will permit.

There will be protections in place under these plans to limit how much consumers pay out-of-pocket, but many plans currently in place are clearly failing to meet these guidelines, and insurance coverage is inconsistent depending on where plans are sold. Thirty eight percent of plans did not disclose their deductible within its annual out-of-pocket limits, concealing the full amount a person could pay if the "Summary of Benefits" was not read carefully. Some of these plans included Blue Cross Blue Shield organizations in Illinois, Kansas, and Texas.

"The Affordable Care Act's limit on out-of-pocket costs will have a highly regional impact, with consumers in states such as Vermont, Alabama, and Florida reaping the biggest benefits," said Kev Coleman, head of research & data at HealthPocket. "While the average out-of-pocket costs limit nationwide falls within ACA guidelines, there are still thousands of plans that need to improve their out-of-pocket costs for 2014."

The national average for out-of-pocket limits was \$6,019 when the deductible was included in out-of-pocket costs for all plans. While the national average is below the Bronze Plan average, state averages varied from \$3,192 to \$10,013, with 15 states failing to meet ACA limits. Five states' limits including

Alabama, Florida, Oregon, Vermont, and Washington were shown to be at least 28 percent more expensive than the maximum allowed under ACA qualified plans.

Nationally, only 4 percent of plans examined had no limits on how much a consumer could pay annually in out-of-pocket spending for healthcare. When there is no annual out-of-pocket limit, a severe medical episode could result in catastrophic expenses even with health insurance coverage. Lab tests, hospitalization, surgery, could lead to expenses above \$100,000 with out-of-pocket expenses on some plans representing 30 percent or more of these costs.

Results of this study were based on an analysis of 9,752 health insurance plans for individuals and families under the age of 65. This HealthPocket [InfoStat](#) is second in a series of InfoStats which use government health plan data to produce objective, meaningful, and clarifying information and guidance for consumers.

To review the out-of-pocket limit for any plan, visit HealthPocket's individual and family health insurance [comparison tool](#), which lists out the limit.

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