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Health insurer charging unreasonable rate increases
Affordable Care Act shines a light on insurance company rate hikes,
helps keep money in the pockets of Americans

WASHINGTON, DC- Everence Insurance of Pennsylvania is charging small businesses unreasonably high premium increases according to the first federal rate review under the Affordable Care Act, the U.S. Department of Health and Human Services (HHS) announced today.

“We hope that by publicizing the excessive premium hikes, we will empower consumers,” HHS Secretary Kathleen Sebelius said. **“By shining a light on unjustified premium increases, we will hold health insurers accountable like never before, and help keep money in the pockets of Americans.”**

Today's announcement marks the first of many reviews that HHS will perform in addition to insurance rate reviews already being done by states. Proposals to raise rates by 10 percent or more will be reviewed.

The HHS review has found that Everence's 12 percent rate increase for small businesses in Pennsylvania was excessive. After reviewing the rate, independent experts determined the choice of assumptions the company based its rate increase on reflected national data rather than reliable and available state data. These assumptions resulted in an unreasonably high premium in relation to the benefits provided.

“We have called on this insurer to immediately rescind the rate, issue refunds to consumers or publicly explain their refusal to do so,” said Steve Larsen, director of the Center for Consumer Information and Insurance Oversight at the Centers for Medicare & Medicaid Services.

Companies can either reduce their rate hikes or post a justification on their website within 10 days of the rate review determination.

For more information about this rate review and to find rate increase information in your state, visit: <http://companyprofiles.healthcare.gov/>

For general information about rate review, visit:
<http://www.healthcare.gov/law/features/costs/rate-review/>

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