

EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

Tuesday, December 21, 2010

Press Office, 202-226-0853

Proposal will Expose Excessive Health Premium Hikes, put Consumers in More Control

WASHINGTON, D.C. – In a stark contrast to current practices, health insurance companies will have to publicly justify any premium increase of 10 percent or higher under [new rules being proposed today](#). The move is the latest step under the [Affordable Care Act](#) to strengthen the hand of consumers over insurance companies when it comes to health care for them and their families.

The U.S. Department of Health and Human Services (HHS) proposed today to force insurance companies to publicly justify double-digit premium hikes, and give states and federal officials the ability to scrutinize the increases. Family premiums have increased by 131 percent since 1999 while profits for the top five for-profit insurance companies' soared by 56 percent to \$12.2 billion in 2009 alone.

“Repeal this? Greater transparency of premium hikes is good for the consumer,” said **U.S. Rep. George Miller** (D-CA), chairman of the House Education and Labor Committee. “Families facing double-digit premium hikes should know precisely why insurance companies are raising their rates.

“It is astonishing that Republican lawmakers in Washington want it the other way. They have pledged to repeal the Affordable Care Act, returning to business as usual of putting insurance companies – not the consumer -- in control. Make no mistake about it, repeal is dangerous to Americans' health.”

Insurance companies in the small group and individual markets would have to publicly justify and provide detailed information to HHS and state regulators if they raise premiums by 10 percent or more. Currently, information available to consumers varies greatly from state to state. Some states require insurance companies to justify large increases in premiums while other states allocate few resources to hold insurance accountable for the increases.

The health reform law is also helping states to strengthen their own ability to oversee health insurers. The Affordable Care Act makes \$250 million available to assist states to create or improve their own processes to hold insurance companies accountable for increasing premiums.

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