

Senator John D. (Jay) Rockefeller IV, Chairman

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ROCKEFELLER TRUMPETS STUDY ON HEALTH CARE REFORM'S CONSUMER REBATES

WASHINGTON, D.C.— Chairman John D. (Jay) Rockefeller IV today released the following statement after a [Commonwealth Fund study](#) showed the Affordable Care Act's medical loss ratio (MLR) saved consumers nearly \$1.5 billion in insurer rebates and overhead cost savings in 2011. The MLR provision requires that insurers spend at least 80 percent of consumers' premium dollars on actual medical care or quality health improving activities or pay a rebate to consumers. The study found that, alongside paying \$1.1 billion in rebates, health insurers have become more efficient by cutting over \$350 million in excessive administrative costs.

"We already knew that health care reform is providing consumers with more than \$1.1 billion in rebates when health insurers do not spend enough premium dollars on actual medical care. This study is more evidence that the 80/20 rule is making health insurance more affordable for all consumers and encouraging health insurance companies to reduce their administrative expenses and deliver a better value to consumers. Americans win when they keep more of their hard earned premium dollars in their pockets and receive better health care."

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