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## **Under the Affordable Care Act, Wisconsin Officials Must Conduct Rate Reviews on Health Insurance Premium Hikes** *New Rules Bring Greater Transparency to Families and Businesses*

The U.S. Department of Health and Human Services released new regulations effective today that will ensure that health insurance premium increases of 10 percent or more be reviewed with more scrutiny by Wisconsin officials.

With the country still reeling from the worst economic downturn since the great depression, many Americans simply can't afford to keep up the massive, and often unexpected, rate increases thrust upon them. Between 1999 and 2009, health insurance premiums for families rose an astounding 131% while unemployment rose and wages fell.

In a time of record profits for the insurance industry, responsible hardworking Americans found themselves under water and struggling to get by—let alone to pay their increasing insurance premiums. By holding the industry accountable, this rule will allow Americans to keep more of the money they earn and will serve as a meaningful safeguard against predatory rate hikes.

“These new regulations issued under the Affordable Care Act will enable Wisconsin officials to protect consumers from unreasonable rate increases and ensure that health insurance premiums are adequately reviewed,” said WCCF Executive Director Ken Taylor. “Rates will be determined by actual health care costs in Wisconsin and not at the sole discretion of insurance companies.”

Additionally, these new rules will also require insurance companies to provide consumers with the reasons for the rate increases and explain that information in a clear and understandable manner on their websites as well as on the HHS website [www.healthcare.gov](http://www.healthcare.gov).

“Bringing greater transparency to families and businesses and giving them easy access to information will help them make better decisions about their health insurance options,” said Taylor. “Because of the Affordable Care Act insurance companies will no longer be able to raise rates without explaining their actions. Rate hikes will be posted on public websites and will have to be justified.”

Starting in September of 2012, HHS will work with each state to replace the 10 percent threshold with state-by-state guidelines that are more reflective of the health care cost trends in each state.

HHS has awarded \$44 million in Affordable Care Act grants to states to help strengthen their oversight capabilities, including \$1 million to Wisconsin to scrutinize unreasonable rate increases.

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