

PRESS RELEASE



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CONTACT:

Mary Ellen Grant
mgrant@calhealthplans.org
(916)552-2914

California Association of Health Plans President & CEO Releases Statement on 2019 Individual Market Rates

Sacramento, CA – Covered California today announced health insurance rates for 2019, citing an average weighted statewide rate change of 8.7% as the exchange moves into its sixth year of operation. The rates reflect the ongoing changes to the Affordable Care Act at the federal level, particularly the decision to repeal the requirement to purchase health insurance coverage, as well as continued increased spending on medical care and several other factors.

California Association of Health Plans President and CEO Charles Bacchi issued the following statement on today's announcement:

“Covered California’s rates announcement today demonstrates the strong partnership between Covered California and the health plans, and reflects our combined hard work to keep California’s health care market strong, stable, and affordable. This is happening despite the continued obstacles being thrown our way at the federal level.

“These premium increases reflect the impact of the changes at the federal level, most notably the repeal of the individual mandate to purchase health insurance, as well as continued rising medical costs, which includes the ever increasing costs of prescription drugs. California can still enact a state level individual mandate, which would help to stabilize premiums in the future.

“We look forward to building on the gains we have achieved in California’s health care marketplace. With 93 percent of the Californians covered by health insurance, we will continue to take concrete steps in the future to insure the remaining 6.8 percent uninsured.”

The major factors influencing rates in 2019 include continued federal changes to the Affordable Care Act, particularly the federal government’s decision to eliminate the individual mandate to buy health insurance. Other factors impacting premiums include increased prescription drug spending, which accounts for the 24 percent of spending in the Covered California marketplace, hospital expenses, and other rising medical costs, third party payment abuse by certain unscrupulous providers, and continued misuse of the special enrollment period by some individuals. Rates will also vary based on individual circumstances such as age, family size, zip code, and income level.

The California Association of Health Plans has released a new infographic illustrating the major factors influencing 2019 health coverage premiums. To view CAHP’s infographic on 2019

premiums, please visit [our website](#). For more information on how high-priced drugs continue to impact health coverage at all levels, please visit www.runawayrx.org.

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CAHP is a statewide association representing 48 full-service health plans. Through legislative advocacy, education and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 28 million members they serve. For more information, please visit <http://www.calhealthplans.org/> or call (916) 552-2910.