

PRESS RELEASE



California Association of
Health Plans

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Contact:

Mary Ellen Grant

mgrant@calhealthplans.org

Covered California Announces 2024 Preliminary Rate Change and Enhanced Financial Support For Consumers

Sacramento, CA – Covered California today announced preliminary health insurance rates for 2024, citing an average statewide rate change of 9.6 percent. Covered California and its partnering health plans have kept the average annual rate increase over the past five years to just 3.6 percent, with Californians in the individual market benefiting from among the lowest average rate increases in the nation, Covered California said.

Today's announcement also includes welcome news that a new health plan will be joining Covered California to offer health care coverage, while two other participating health plans will be expanding into new counties to offer coverage in the marketplace allowing 96 percent of consumers to choose from three or more carriers.

Health plan premium costs in 2024 will be [driven by several factors](#) across the individual and small group marketplaces, particularly: continued inflation driving increased provider reimbursement rates, health plans taking on more of the costs of COVID-19 vaccines and tests, uncertainty around Medi-Cal "redetermination", and the continued rise in drug prices especially from emerging weight loss drugs and other specialty drugs.

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

"Although this year's rate increase is higher than we've seen in recent years due to strong inflationary pressures, increased drug prices and many other factors, most individual market consumers will not see an increase, and many will see a reduction in their costs due to enhanced financial support from the state," Bacchi said.

"California's health plans have long supported policies to expand affordable coverage, including the most recent budget decision by the Administration to use the individual mandate penalty funds for their intended purpose, which is to make healthcare more affordable for low-to-middle income Californians. We applaud the efforts by Covered California to extend subsidies that will

eliminate deductibles and copays and shield many individual market consumers from the rate increase. We are also pleased that Covered California consumers have many health plan choices on the exchange with the addition of another one of CAHP's member health plans, Inland Empire Health Plan."

Changes to the Covered California marketplace in 2024 include Inland Empire Health Plan joining the marketplace and offering coverage in Riverside and San Bernardino counties. Aetna/CVS Health will also expand into Contra Costa and Alameda counties in 2024, while Health Net will expand into Imperial County.

Californians can check their options for coverage through Covered California by using its [Shop and Compare tool](#) at CoveredCA.com. This tool will show consumers if they are eligible for financial help and which plans are available in their area, according to Covered California.

For more information on the top drivers of 2024 health care premiums, click [here](#).

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CAHP is a statewide association representing 44 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 25 million members they serve. For more information, please visit <http://www.calhealthplans.org/> or call (916) 552-2910