

# PRESS RELEASE



California Association of  
**Health Plans**

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## ***Covered California Announces Preliminary 2025 Rate Change, Expanded Financial Support for Consumers***

**Sacramento, CA** – Covered California today announced preliminary health insurance rates for 2025, citing an average statewide rate change of 7.9 percent. This rate is lower than last year's 9.6 percent rate change and most Covered California enrollees will experience little to no impact to their monthly health insurance costs. The governor and state lawmakers have provided more support for the state-enhanced cost-sharing reduction program, which will eliminate deductibles and lower the cost of care for more than one million Californians, Covered California said.

Covered California and its partnering health plans over the last five years have held the average annual rate increase to just 5 percent, lower than the national average. The subsidies from the American Rescue Plan and Inflation Reduction Act, along with enhancements to the state cost-sharing reduction program, will also offer consumers record levels of financial assistance in 2025 to help Californians pay for their health care coverage through Covered California, officials announced today.

California Association of Health Plans (CAHP) President and CEO Charles Bacchi released the following statement today regarding the announcement:

"Today's announcement of a lower average rate change than last year in the face of ongoing inflationary pressures and increases in the cost of care shows the strength of the Covered California marketplace and the role our member health plans have played in working alongside state leaders to keep high-quality health care coverage affordable for Californians," Bacchi said.

"This year's rate increase is influenced by several factors, but most notably the ever-increasing cost of hospital care and the explosion in demand for expensive GLP-1 weight loss drugs, which will continue to put pressure on the cost of health care in the years to come. California's health plans

look forward to our continued partnership with Covered California and state leaders as we work together to tackle these challenges so we can expand access to affordable, quality health care coverage for even more Californians.”

The open-enrollment period, when consumers can sign up for Covered California for all of 2025, begins on November 1, 2024 and runs through January 31, 2025.

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.

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*CAHP is a statewide association representing 42 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*