

CENTER FORWARD

Center Forward's mission is to give centrist allies the information they need to craft common sense solutions, and provide those allies the support they need to turn those ideas into results.

We bring together members of Congress, not-for profits, academic experts, trade associations, corporations and unions to find common ground.

In order to meet our challenges we need to put aside the partisan bickering that has gridlocked Washington and come together to find common sense solutions.

Join us in a conversation that moves America forward, at Center Forward

www.center-forward.org

Why health insurance premiums are changing



Understanding the Affordable Care Act's impact on premiums

REASONS FOR CHANGING PREMIUMS

The Affordable Care Act contains some positive reforms. However people who currently have health insurance may see their premiums change significantly.

Provisions going into effect on Jan. 1, 2014

-  Health plans required to cover minimum level of benefits regardless of whether you want them.
-  Women and men will be charged the same premium rate.
-  Unhealthy people charged the same as healthy people.
-  Younger people will have to pay premiums closer to what older people pay.
-  Many enrollees may be eligible for significant subsidies to help pay their premiums and out-of-pocket costs.
-  Health care companies will have to accept everyone, even people with pre-existing conditions.
-  Over \$100 billion health insurance sales tax over 10 years.

THE TYPES OF CHANGES YOU SHOULD EXPECT

The removal of health status rating and ACA-related fees results in significant variation on a person-by-person basis.

For many who purchase health insurance on their own, this is how much they should expect their pre-subsidy premiums to rise.



Some people who purchase health insurance will see premiums go down after subsidies, while others' will go up.



Percentage of people who purchase health insurance on their own who will be eligible for premium subsidies



Percentage of small group members whose employers may consider alternate coverage arrangements.



If healthy small group members leave (or do not join) the insurance pool, this could raise costs for those left in the group.

Changes will vary by state. States like New Jersey, which already have many of the ACA provisions in place, will see less impact than other states shown in this pamphlet.

IMPACT ON INDIVIDUALS

The ACA will impact groups of Americans differently



	Rate change for people not eligible for subsidies	Estimated % eligible for a subsidy*	Portion of average increase due to upgrading to bronze plan**
Arizona	40% to 50%	42%	10%
Florida	40% to 60%	43%	10%
Illinois	20% to 60%	47%	10%
New Jersey	-25% to -2%	49%	N/A
Ohio	30% to 50%	47%	5%
Wisconsin	15% to 50%	53%	15%

*Subsidies will range from 0% to 96%, with an estimated average of 40% for silver plan premiums and even greater for bronze plans.

**For a plan to be ACA qualified, it must include a set level of benefits at the bronze tier and above.

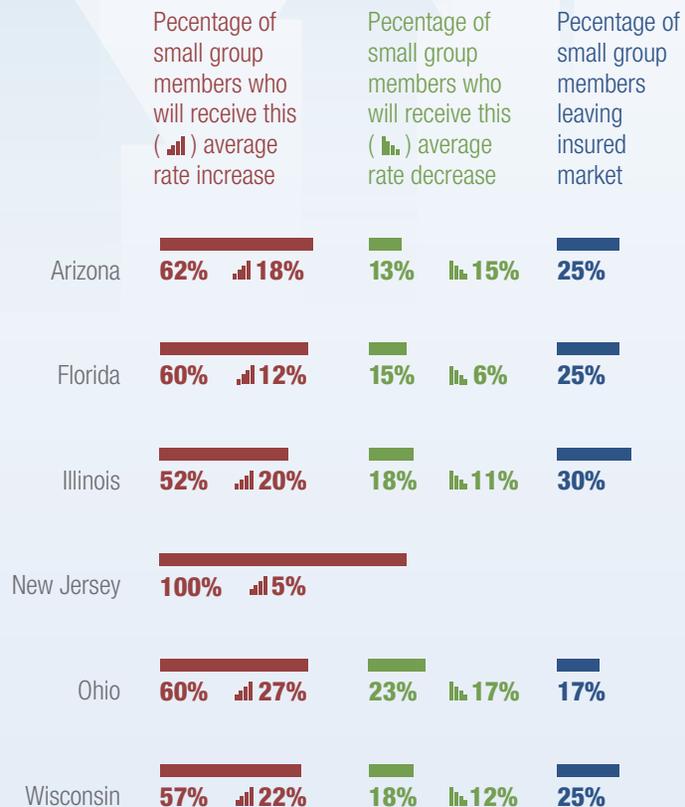
	Young, healthy males*	The older and less healthy**
Arizona	+50% to +125%	-30% to +10%
Florida	+60% to +135%	-25% to +20%
Illinois	+65% to +135%	-10% to +15%
New Jersey	-28% to +20%	-3% to +35%
Ohio	+50% to +135%	-30% to +15%
Wisconsin	+80% to +130%	-15% to +15%

*Illustrated for healthy males age 27 and sample plans.

**Illustrated for unhealthy persons age 57 and sample plans.

CHANGES FOR SMALL GROUPS

Depending on the flexibility of a state's health insurance rating, many people who get coverage through a small group will see a premium increase.



A NOTE ABOUT THE STUDY

Center Forward engaged Milliman, Inc. to conduct a study regarding the impact of the provisions of the Affordable Care Act on people in selected states. The study's findings do not include routine additional cost increases associated with medical cost inflation and the aging of the insured individual.