



Public Comments Submitted to the Delaware Department of Insurance Regarding Proposed Health Insurance Rate Changes for the 2016 Marketplace Plans

Please note: The Delaware Department of Insurance accepted comments from the public regarding the proposed changes to rates for health insurance plans to be offered on the 2016 Marketplace for Delaware. The comments were accepted from June 15 through July 15, 2015. All comments have been compiled below. The names and personal information of the individuals that submitted the comments have been removed.

Comment 1: I am writing concerning the rate increases that have been requested. I am a self insured small business owner who purchases my own plan. At the end of last year, I was informed that my plan was no longer an eligible policy and I had to shop around. My new policy ended up being 2 1/2 times as expensive and does not cover any out of network costs, which my previous plan covered. If I went with a plan that covered out of network cost my deductible would be sky high, as well as the cost of the plan. Now, most of the companies are asking for a further increases for next year. There has to be better options available out there. The continually rising costs are greatly affecting all individuals and businesses in Delaware.

Comment 2: To Ms Karen Stewart & Whom it May Concern:

please don't approve the rate increases for individuals w/ health care plans under Highmark and Aetna; individuals are the least able to afford the increases as they are typically paying for individual plans because their employers don't offer coverage. These individuals are already burdened with paying larger health care costs. Moreover, the proposed increase percentages don't appear to be reasonable.

Comment 3: Dear Commissioner Stewart:

As a State of Delaware pensioner on a fixed income I want you to know I am adamantly against any increases what so ever to the cost of my health insurance. I have read the insurance company's justification and feel any increases should get a big NO. I have to work within my budget and am forced to cut back when price increases exceed my income. How about the insurance companies and government agencies work within their current budgets. I don't get a raise when milk, eggs, gas, electric etc. go up. It is time for big business to make sacrifices like the rest of us have to on a daily basis!

Comment 4: Will the proposed rate increases include seniors who have supplemental insurance with Highmark of De?

If so, that would be obscene, I now pay \$267.07 monthly and if it was increased by 25.4 percent, that would mean I would be paying \$334.90 a month. How does a senior living on social security pay for such an increase? Highmark only pays 20% , the rest is payed by Medicare. How can they justify such an increase?.

Sincerely, a concerned senior citizen

Comment 5: Dear Sir or Madam:

I read the article about proposed double digit rate increases. This is an outrage. Our current monthly premium with Highmark for a family of five purchased on the exchange costs \$1,100 for a basic plan with no coverage and a \$6,000 family deductible. Annually, that's \$19,000 out of pocket before any benefits are actually paid by Highmark. This doesn't include any coverage for dental or vision. At what point, I wonder, will the cost for health insurance exceed all our other household expenses? Before Obamacare, every year our small business shopped a group plan between 3 or 4 different carriers (Coventry, Aetna, United, bcbs) but now there are now only two providers left in Delaware - Highmark and Aetna. Our business' small group plan was cancelled in 2013, so we were forced onto the exchange, which was described as this great marketplace to shop for coverage, but which really only provides a choice between two carriers offering either sky high-premium plans with low deductibles or high premium plans with high deductibles. The lack of healthcare options in this State and the proposed rate increases are going to bury us if this continues. At some point, we will decide to either shut our business down, and join a large employer with a health plan (are there any left in Delaware?) or move to a State with better options for individuals and small businesses.

Comment 6: Dear Delaware Insurance Commissioner's Office,

We look to your office to oversee and regulate the insurance companies, which run some of the most profitable businesses of the world. As part of your analysis, are you looking at how insurance company profit has been affected and will be affected? Will you be publishing that data?

Also, what suggestions do you have for businesses that will have to lay people off or shut down as a result of this enormous increase in cost?

I look forward to hearing a response.

Comment 7: Dear Delaware Department of Insurance –

It is with great dismay that I read that Highmark Delaware is requesting such a substantial rate hike of 21 to 28 percent for 2016. The “Affordable Care Act” is by no means affordable by any definition under the current terms, conditions or requirements.

I hope the Delaware Department of Insurance will decline the insurers request for these increases for 2016.

I already have to pay in 2015 over twice the health insurance premium I incurred in 2014 (as well as a doubling of my policy deductible) because the Department of Insurance allowed

Highmark Delaware to cancel my previous insurance policy that was grandfathered under the ACA. If the Department allows this increase, my cost for health insurance will have risen 140% over the last two years alone. Note that I am very healthy, do not smoke, have no pre-existing conditions, and should not have to bear this additional financial burden to further fund corporate profits and greed.

Unfortunately, I doubt that the Delaware Department of Insurance will have the fortitude to deny this rate increase – it is my general impression that the Delaware Department of Insurance (and the Delaware General Assembly, which writes the laws), is more interested in protecting the interests of the insurance industry over the interests of the citizens of Delaware. The State of Delaware Insurance Commissioner's Office should be an advocate for the Delaware consumer, not for the insurance companies.

In addition to this health care insurance premium debacle the last few years (which has never favored the consumer), the limits on the amount of uninsured motorist coverage (\$100,000 each person/\$300,000 each accident) one can buy in Delaware by law is yet another example of where government favors the industry over the consumer – In this example, I can buy more than \$300,000 in bodily injury liability coverage to protect someone else in case of an accident, but the Delaware law says I cannot buy more than \$300,000 in coverage to protect myself from an uninsured driver. Other states do not have this limit. Regardless of the example, the Department's and the legislatures advocacy is clearly in the wrong direction when it comes to insurance matters.

The easiest way to solve this problem is to lobby to change the archaic state laws to allow out of state insurance companies to provide coverage for Delaware residents – additional competition can result in lower prices and reduced exposure for the insurance companies given the larger pool of insured applicants. I know that is the job of the legislature to change the laws, but with the Department of Insurance granting every increase requested by the insurance companies, you enable them to continue to be inefficient with their business practices – declining the rate increase would force them to move forward with finding more efficiencies or improvements in their underwriting, including perhaps actively lobbying for changes in insurance laws to allow more interstate competition. Of course, declining the rate increases could also make them abandon Delaware as a marketplace. This too might make the legislature respond with new laws allowing for competition across state lines to ensure some competition – the small and unhealthy population of Delaware does not bode well for a sustainable future health care insurance market without yearly premium increases of >20%.

Thank you for considering my comments, although I doubt the Department will do anything but submit to the insurance company requests. Please do your job in protecting the public interest and decline the proposed rate increases.

Comment 8: It is difficult to pay premiums even at the current rate. I manage to pay the monthly premium but cannot fully utilize the benefits because of the high deductible. I visit the doctor only when absolutely necessary because the co-pay is in addition to the premium. What good really is the insurance if you cannot afford to use it?

My vote would be no to minimal increase in rates for Obamacare premiums.

Comment 9A: Thank you for accepting comments pertaining to Highmark's request for higher premiums on their health insurance policies.

I signed up with Highmark last June, 2014, for my health insurance. Highmark then raised my premium within 6 months. My plan went from \$718.01 to 746.62 in less than a year. And now, I understand that Highmark is requesting another premium rate increase. Where does it stop?

I am very much opposed to another premium rate increase! Especially when they just had one!

As an aside, I do not have coverage through an employer as I am self-employed so I pay for my health insurance out of pocket.

Hopefully your department will resist Highmark's pressure to increase these rates.

Thank you again.

Comment 9B from same individual: Thank you for requesting the public's input on Highmark's proposed rate increase.

I am **opposed** to Highmark's request for a rate increase as my monthly premium was already increased once in the last year. I signed on with Highmark a year ago and already they have raised my monthly premium. I feel like they are using a bait and switch tactic to lure customers in and then once they have them, increase their rates.

Again, I am very opposed to a premium rate increase. At what point do these insurance companies get reigned in??

Thank you again for requesting input and hopefully our Insurance Commissioner will resist Highmark's pressure to raise rates.

Best regards,

Comment 10: Dear Delaware Department of Insurance,

As a small business owner who does not qualify for Obama's plan, my family and I have suffered over many years with increasing rates on a healthy family of four. Over the last 10 years, going from comprehensive coverage to what I consider basic coverage (and this with a top plan), with thankfully no significant health issues, our premiums have almost doubled. Our overall costs, including out of pocket expenses, increased approximately 250%.

Obama's plan escalates this even further, and I believe will push this important segment of the population and many others to the breaking point of simply not being able to afford health insurance. The reason: Obamacare forces small business owners to bear a disproportional burden to fund the plan.

To exacerbate this issue, it is next to impossible to even budget or understand what costs a patient will incur until after the care has been administered. Product plans, gold, silver, regardless of color, are simply shifting essentially the same rising costs to the consumer in various forms. Doing the numbers, take a family making \$100K/year, just above Obama's cutoff: approximately 15% of their annual pre-tax income will be spent just for the premiums alone. When you factor in deductibles, this could easily be closer to 25%. Change to a high-deductible plan, even with modest care incidents in a healthy family, easily the numbers are transferred from premiums, to out of pocket.

In summary, there are four issues for your department to address and to solve:

-Lack of transparency or standardization of costs to the consumer- is what other industry is this pricing practice ever permitted?

-A disproportionately high healthcare cost structure, much of which is borne by the consumer

- Increasing rates year after year, with no cap per year (I have read about the potential for double digit percentage increases this year)
- Shifting the burden of costs from lower income families to the middle class and small business

This is simply not sustainable. What will occur with the high increases carriers are requesting? Lower income families will have care; small business owners will be priced out. This presents a larger problem for our community and our economy. Already, many consumers are forced to make difficult decisions as detailed in the News Journal article today, on care vs. costs. This is just the beginning.

Please tell me there is a plan, that there is some protection left for the consumer.

Comment 11: To whom it may concern:

Please do not approve the rate increases for Highmark BCBS. We **can not** continue to absorb the the overwhelming costs of the ACA.

My husband is self employed and I do not have benefits at my position. As of July 1st our Highmark BCBS health care coverage **doubled** from what it was last year.

Our old policy was cancelled because it did not meet the "minimum standards". Our new policy forces us to have coverage that we do not need, like maternity and neonatal care. We do not qualify for the subsidized rates but we can not continue to afford increases.

We are already having to make budget decisions to address our new premiums (over \$1500/month), an increase like the one that Highmark is asking for will seriously affect our lives and our ability to save any money towards retirement and we will become the next burden on our overburdened society.

I think *Rev. William J. H. Boetcker said it best in his quote:*

You cannot help small men by tearing down big men.

You cannot strengthen the weak by weakening the strong.

You cannot lift the wage earner by pulling down the wage payer.

You cannot help the poor man by destroying the rich.....

Please, do not approve this increase!

Comment 12: I have been self-employed as an independent contractor for years, and had been paying approximately \$469/month for health premiums for the "healthy family" plan through Highmark DE over the past year or so, for me and my two kids. The deductible was about \$1500/individual or \$3900/year total. I received a letter from Highmark earlier this year which stated that my plan was "no longer compliant" with the Affordable Care Act, and I would have to choose a new plan to begin April 1st. I contacted my health insurance broker who sent me a list of plans my family and I were eligible for, and he recommended to continue with Highmark rather than the other 2 companies because it was "the lesser of the evils", so I looked at the 12 or so Highmark plans available to me and chose the plan that cost \$813/month with a \$3,000 deductible per individual. The cheapest one available was about \$654/month with a \$6,000 deductible per individual. The rates ranged from that price up to approx. \$1,200/month! So, I am now paying nearly \$350.00 more/month for our plan, plus twice as much/individual for deductibles, with the same or less benefits, and I can't afford it.

I did not go through the "marketplace" because my husband and I make over the \$93,000/year income limit for any tax benefits for a family of 4, with our combined incomes, but not by much. The small business he works for is not able to provide health insurance for the rest of the family so that is why the kids and I have a separate plan. I was told to be prepared for the rates to continue to rise for monthly premiums beginning January 2016. I am not sure if we can continue to pay for health insurance, because our daughter will be a senior in high school and we need to be able to send her to college!

I am hoping and praying that the "Affordable Care Act" goes away, and soon! Things were much better before it became mandated, for our family.

Comment 13: Gentlemen,

I am writing regarding the rate hikes considered by insurers of healthcare in Delaware. When a service provider is heavily regulated, the number of those providers always decreases, eliminating competition. In government regulated providers, they become de-facto partners with the government in providing their services. When profits and means of operation are dictated by the government, the providers are unable to achieve greater efficiency and meet even the most rudimentary returns on investment. No third party being introduced between supplier and consumer ever brings about innovation, and when that third party is the government, inefficiencies and cost overruns flourish.

It may at this point be as moot as trying to put a genie back in a bottle, but hopefully this correspondence will not only fall upon individuals unable to even consider some solutions.

The solutions are obvious: 1. expand the number of suppliers by reducing government involvement; 2. reduce costs by letting the marketplace create efficiency; and 3. allow consumers to have greater control over their resources to seek out the best provider.

1. Reduce government involvement. This may at this point be as moot as trying to put a genie back in a bottle, but hopefully this correspondence will not only fall upon individuals unable to even consider some restraint.
2. Allow the marketplace to do what it can only do best-create efficiency, by allowing purchases of insurance policies across state lines. Another huge way of realizing efficiency is to remove one of the largest costs to healthcare: Tort litigation. In Singapore, they have an excellent and affordable healthcare system, but, they severely limit tort litigation by requiring the unsuccessful plaintiff to pay for the defendant's litigation fees and costs.
3. No one spends their money better, than one who earns it. Tax free, and interest bearing health savings accounts should be embraced by Delaware. Balances should carry over not only from year to year, but also to the account holders beneficiaries at death.

Thank you for the opportunity to present these points.

Comment 14: My family pays \$783 every two weeks for health insurance with Blue Cross WITH a \$6000 deductible. This brings our annual fee to \$26358 for a family of five. We do not qualify for a subsidy.

This is a back breaking sum. With payroll taxes and health insurance it barely pays to work anymore. The rates that Blue Cross charges are high enough without another increase!

Comment 15: Dear Sir or Madam,

Please carefully review the medical insurance premium increases proposed by Highmark, Delaware.

The individual subscriber, for years, was getting shorted by the Health Insurance Companies. The Affordable Care Act fixed many of the shortcomings.

Lets not revert back to the situation where insurance becomes unaffordable for the individual subscriber.

Thank you for your consideration

Comment 16: Good morning. Our household is emailing you regarding HighMarks proposed individual rate increase request of 25.4%. As a family of three that uses HighMark our current costs present a challenge. Our monthly premium is \$1399. 85, with an annual deductible of \$5500. The increase would place us at a monthly premium of over \$1700. This simply is not manageable. It is distressing when your health care premium becomes higher than your mortgage. With this rate increase we would no longer be able to afford 'affordable health care', and it would certainly impede to our ability to pay our other bills such as utilities, groceries, etc. We are requesting that you deny this significant rate increase for individual and businesses. Thank you for your time to review this email and consider the significance of the request.

Respectfully,

Comment 17: I am writing regarding the proposed increase for individuals insured through HighMark. Prior to January of this year my husband and I were paying approximately 530.00 dollars per month for our insurance. That plan announced that rates would be increasing to over 1000.00 per month so after research we chose the least expensive plan , a HighMark bronze plan that is just under 900.00 per month. My Husband is self employed, I am unemployed, we do not qualify for any subsidies. We do not go to Doctors, and are only interested in catastrophic coverage. We are both non smokers . He is 53 and I am 60. I am annoyed every month when I pay the insurance bill and cannot believe that we will be required to pay more. Please do what you can to help.

Thank You

Comment 18: To Whom It May Concern,

I attended the Public Information Session on the 2016 Health Insurance Rate Requests on Monday, June 15th in Dover.

I understand that Highmark and Aetna are increasing rates based off of actual utilization numbers. I also understand that utilization was higher than expected due to the phase out of various government programs and just simply unrealistic 2014 and 2015 projections. While I understand, it is difficult to not feel angry.

I am a state employee...and it has been extremely difficult to find full-time work since 2013. That being said, my current position is still not full-time... Therefore, I do not receive state benefits.

My pay is still decent considering..., but I cannot afford the Affordable Care Act. I currently have the Catastrophic Plan through Highmark. It has the cheapest premium (\$180) and covers my preventative care, but I have to *pray* that nothing else happens, no other illnesses or injuries. If something were to happen my deductible is \$6,600. It would take me years to be able to pay that off. I have eye and dental insurance through Cobra that has a total premium of \$41 as well. I pay \$220 a month for health insurance I feel like I need to avoid using at all cost.

I am young and healthy. I don't smoke. I don't use drugs. I run five days a week and strength train three days a week. I don't have children that I can't support. I am single and making it on my own. I make too much money to qualify for any sort of tax break or subsidy. I am the perfect picture of what a responsible, motivated, young person should be, but I am the one who suffers by these rate increases. I realize that misuse of the system and specialty medications drive up costs, but shouldn't there be some sort of reward for those of us who do everything right?

In addition, I agree with the woman in the audience who spoke at Monday's session. There needs to be more transparency regarding the difference between rates, premiums, and deductibles. Is a 25% rate increase equivalent to a 25% premium and deductible increase? If not, the public deserves to see and understand what that 25% rate increase will actually look like for them.

I implore you not to just simply do the math and actuarial work on these rate increases. There is more to health insurance and health care than that. Advocate for those of us who do not abuse the system. Advocate for true health care reform. Push for faster health care innovation and payment model changes. We aren't just talking about millions of dollars, we're talking about thousands of Delawareans and their family members who are also affected by these rate increases.

Thank you for taking the time to hear my concerns and for allowing the public to have a voice.

Comment 19: I am a healthy 56 year old single woman and I am writing to you to express my concern about the potential increase to my health care premium with Highmark Blue Cross of Delaware.

I retired in 2011 and live off of investment income. I got an underwritten policy from BCBSDE for \$365.00/month.

In Oct 2013 my underwritten policy was eliminated and I was forced to join the ACA. Helping those who were previously denied affordable health insurance is important to me and I am happy to subsidize this effort. My new plan was similar in benefits to my previous plan, but the deductible increased to \$1500.00 and the premium was \$754.00/month, **a 106% increase**, and I was **not eligible for the subsidy**.

In 2015 I now pay **an increase of 9% over 2014**. My premium is \$819.74/month. **I am not eligible for the subsidy**.

I have faithfully prepared for a reasonably comfortable retirement. I did all I was supposed to do. I own my home and have no debt.

Please do not punish me for making good financial decisions by making my healthcare insurance premium a burden. I pay quite a bit with no government help.

I do not wish to pay more.

Regards,

Comment 20: PLEASE!!! Do everything possible to contain the rate increase for the highmark ins. Co. My employer switched us over to the exchange due to increasing costs to them. I am on an extremely tight budget and any increase in my costs will be a BIG hardship

Sincerely,

Comment 21: I just read an article in the Cape Gazette about Highmarks request for a 25.4 percent increase in rates. I am extremely upset about this. When my husband retired in A few years ago, we had to obtain our own health insurance. At that time my monthly cost for just myself was \$330.00 per month. Since Obamacare went into effect, I have had two increases from Highmark. The first increase went to \$502 per month. This January it jumped to \$647 per month. This is just for one person. If Highmark gets this increase, how many people will be able to afford this. I wAs layed off in January and \$647 is almost my entire unemployment check for the month. I don't know how I will afford this once my unemployment runs out and still haven't found another job. How many workers get a 25.4 percent increase in their wages?

Comment 22: Dear DE Dept. of Insurance,

NewsFlash: You have to pay for "Free" healthcare. Reality slaps people in the face for having believed the lies spread about the ACA.

Comment 23: Subject: Proposed Rate Request from Highmark BCBS and Aetna

Thank you for the excellent update at the June 4th DHCC meeting. During the Plan Management section review, the slide outing the Requested Rate Update for PY 2016 by Highmark BCBS and Aetna certainly raised some serious concerns for many healthcare providers like United Medical, LLC in Delaware.

United Medical, LLC represents 175 healthcare providers who deliver primary care services to over 125,000 Delawareans. We are the largest private ambulatory healthcare network in Delaware.

The last several years have been very challenging for us. We faced changing requirements, increased regulations and expanded mandated services while striving to control our costs. During that period, we have not seen any monetary increase in reimbursements in terms of the services we provide. If our services do not cost anymore than what they were 4 years ago, why do these insurers feel the need to increase rates 25.4% and 16% respectively? Certainly there should be a detailed explanation and justification for these escalating rates by these insurers.

We are looking forward to future discussions and details related to these proposed rate increases.

Respectfully,

Comment 24: Obamacare is literally KILLING many of our families financially! People are losing their homes at an unbelievable rate, while the “body politic” in this country collects a huge percentage of their earnings! It is an outrage! The government must control healthcare costs by monitoring and controlling costs charged by hospitals, medical clinics and many other health-related industries and stop this train wreck before it completely destroys our way of life. I have heard nothing about controlling the actual costs being charged by these hospitals — which are outrageous — as well as other agencies that are way overcharging! It’s time somebody in government starts “serving” the working people of this country by TAKING CHARGE of this out of control behemoth!!!

Comment 25: I do not agree with the [proposed] increase in the individual market.

Comment 26: Public Comment on Health Insurance Rate Increases for 2016 6/15/15

Delaware Department of Insurance, Dover

Thank you for holding these public hearings. I thank Insurance Commissioner Stewart and her staff for this opportunity and I thank Aetna and High mark BCBSD for being here. I have two comments.

My first comment is about transparency and the rate review process. While I appreciate that you are giving us some transparency in the rate review process, it is not enough. The consumer wants to know what their premiums and deductibles are going to be. Rates are not premiums. The rate increase bears little relation to what the premium increase will be and the rate says nothing about what the deductibles will be. The process of how the insurance company goes from a rate to a premium and a deductible is not at all transparent and the consumer has no participation in that.

The Insurer's Rate Increase Justification gives us some information. However, the Justification documents from both Aetna and Highmark BCBSD are heavily redacted. The documents do not give us much detail.

Consumers are eager for data that mean something to them. The Delaware consumer is smart. The Delaware consumer wants value. The Delaware consumer knows that some tough choices have to be made if we are going to see affordable premiums and deductibles.

The best example of where this works is the cost savings from using generic drugs. When they were informed and incentivized, consumers and physicians led the way to generic drugs. That has been a significant factor in controlling health care costs and premiums.

Rather than redact data, give us more data, and include us in making those choices. Unless consumers see meaningful data, the effectiveness of programs such as public comment opportunities may fall flat.

My second comment is about the rates themselves. As I have said, the rates- whether less than 10% or over 10% --do not mean much. What I want to know is the premium and the deductible. However, I hope you are not going to surprise us with excessively higher premiums and deductibles in November. I do not see how you could justify that.

Price Waterhouse Cooper Health Research Institute projects a slowdown in health care spending growth for 2016. They project the medical cost trend will be 6.5% for 2016 compared to 6.8% for 2015. Applied to a \$2.9 trillion US healthcare economy, that difference calculates to \$8.7 million. I expect that you will pass some of that savings back to the consumers.

Thank you for the opportunity for public comment,

End of Public Comments

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