

Preliminary 2016 Health Insurance Rates A Warning Sign for Wisconsin

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Seven major Wisconsin health insurers are projecting large rate increases for 2016, ranging from 10% to 32%. Increases are a sign that Governor Walker and the State Legislator's complete inaction on health insurance rates will cost Wisconsin.

STATEWIDE - Preliminary health insurance premium [rates released this week](#) by the U.S. Department of Health and Human Services show that seven major Wisconsin health insurers projecting large rate increases for 2016, including major for-profit companies such as UnitedHealthcare.

Rate increases range from 10% to 32% for these seven companies. The proposed rates were released because under the transparency provisions of the Affordable Care Act proposed rate increases over 10% must be made public.

The projected rate increases are a sign that Governor Walker and the State Legislator's complete inaction on health insurance rates will cost Wisconsin consumers dearly in 2016.

According to a [report released](#) by Citizen Action of Wisconsin in April, there are a number of decisions the Walker Administration and the Legislature have made that are increasing health insurance rates in Wisconsin.

First, the Walker Administration's failure to implement robust rate review may be increasing premiums from 4-17%. Although the Affordable Care Act requires Walker's Office of the

Commissioner of Insurance to review premiums increases over 10%, the agency has yet to find a single rate increase excessive since this provision of the law went into effect in 2011.

Second, failure to accept enhanced federal funds for BadgerCare is shifting higher cost consumers onto private insurance, raising premiums for everyone else. Research from the Rand Corporation projects that states which refuse expanded Medicaid dollars have rates 8-10% higher.

Third, the Walker Administration made the decision to allow substandard health plans to continue to be sold in Wisconsin. A Rand Corporation report found that this practice keeps healthy people who already had insurance when the health care law went into effect out of the risk pool, raising premiums by as much as 10% for everyone else.

“It is stunning that health insurance costs seem to have fallen off the public agenda in Madison,” said Robert Kraig, Executive Director of Citizen Action of Wisconsin. “The preliminary 2016 health insurance premium increases ought to be a wakeup to policymakers that moderating health care costs should be one of the top priorities of state government. In the new health care environment, those states that take full advantage of the tools provided by health care reform will have lower costs than those that do nothing but try to sabotage reform.”

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