



# MISSISSIPPI

## INSURANCE DEPARTMENT

**MIKE CHANEY**  
Commissioner of Insurance  
and State Fire Marshal

**PRESS RELEASE**

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## **For Immediate Release**

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### **Mississippi Healthcare Policyholders To See Major Rate Increases for 2017**

**Jackson-** Some 13,000 Mississippi Humana healthcare policyholders, who purchased their policies through the Federally Facilitated Healthcare Exchange, will be seeing significant premium increases in 2017, Commissioner of Insurance Mike Chaney announced today.

Beginning January 1, 2017, consumers on the Exchange can expect to see an average increase of 43% in the cost of their Humana monthly premiums.

“I am troubled to see such major increases. I have little authority over healthcare rates, particularly those in the federal exchange, but what I could and did do was enter into intense and strident negotiations with Humana to reduce their increase from their initial filing,” Chaney said.

“Unfortunately, this is not just a Mississippi issue. We are aware of major increase requests in healthcare premiums in such states as Georgia, Louisiana, Texas, Maryland, Washington, Nevada, Montana and Connecticut, many of significantly higher than Mississippi.”

Chaney explained that a number of factors are driving the large premium rate hike requests. Growing health care and prescription drug costs and higher use of inpatient services and medical care are certainly factors. However, the phasing out of premium stabilization programs within the Affordable Care Act is proving to be a major factor.

It is important to note that the majority of Mississippians with on-exchange individual health coverage receive federal government subsidies to offset the cost of premiums and, by reviewing all the options available to them during the upcoming open enrollment period, should see some rate relief in their premiums despite the overall rate increases.

Chaney explained for a single 40 year old member earning 140% of the federal poverty level, the 2016 monthly premium for the Humana Silver 3800 PPO plan in DeSoto County, MS is about \$82.07 (the full price of the plan is \$284.75; the member's premium tax credit would cover approximately 71% of the premium costs.) A premium increase of 37% on this Humana plan would raise the costs for this member to about \$187.40, an increase of \$105.33.

"I've publicly stated my opinions on the effectiveness of the ACA, and now, as more and more provisions are implemented, we're seeing the detrimental results in not only the cost of health care, but in the premiums themselves. The longer healthcare insurance is under the ACA the more costly it becomes for Mississippi consumers," Chaney said.