



Average Exchange Premiums Rise Modestly in 2015 and Variation Increases

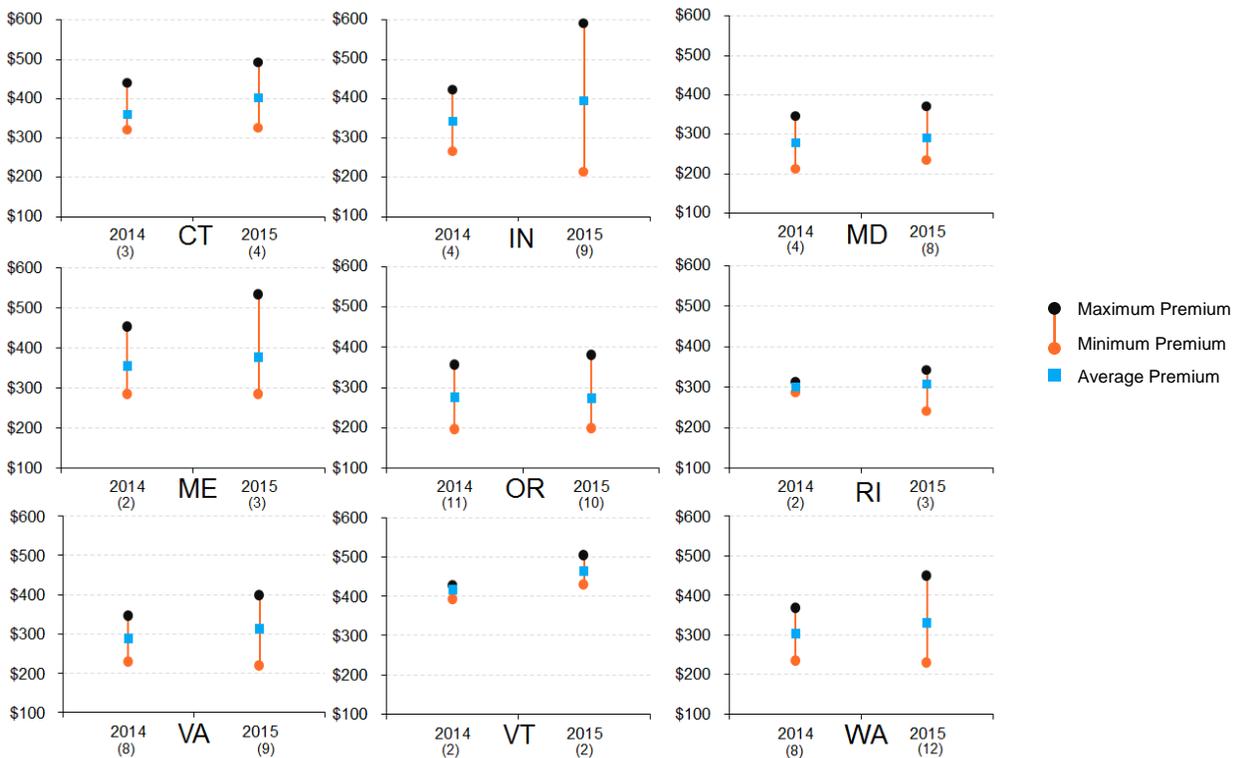
New analysis from Avalere Health finds that average proposed premiums for individual market exchange plans will increase modestly in 2015, based on initial rate filings in nine states. Across the nine-state group, average monthly silver premiums will rise by 8 percent from \$324 in 2014 to \$350 in 2015. In particular, average monthly silver premiums will rise in eight of the states, ranging from a 2.5 percent increase (\$8) in Rhode Island to a 16 percent average increase (\$54) in Indiana. Oregon was the only state examined in which average premiums will decrease for 2015—falling 1.4 percent or \$3 per month.

State	2014 Average	2015 Average	% Change
CT	\$357	\$400	12.0%
IN	\$340	\$394	16.0%
MD	\$277	\$289	4.3%
ME	\$354	\$376	6.1%
OR	\$275	\$272	-1.4%
RI	\$301	\$309	2.5%
VA	\$290	\$313	7.9%
VT	\$418	\$466	11.6%
WA	\$305	\$331	8.8%

Note: averages rounded to nearest dollar.

In addition, premium variation within states is poised to increase in 2015 versus 2014. Specifically, in each of the nine states analyzed, the difference between the highest and lowest proposed premiums for individual market silver plans increased in 2015 versus 2014. Indiana has the greatest variation among silver plans in 2015, with premiums ranging from \$211 to \$587 per month.

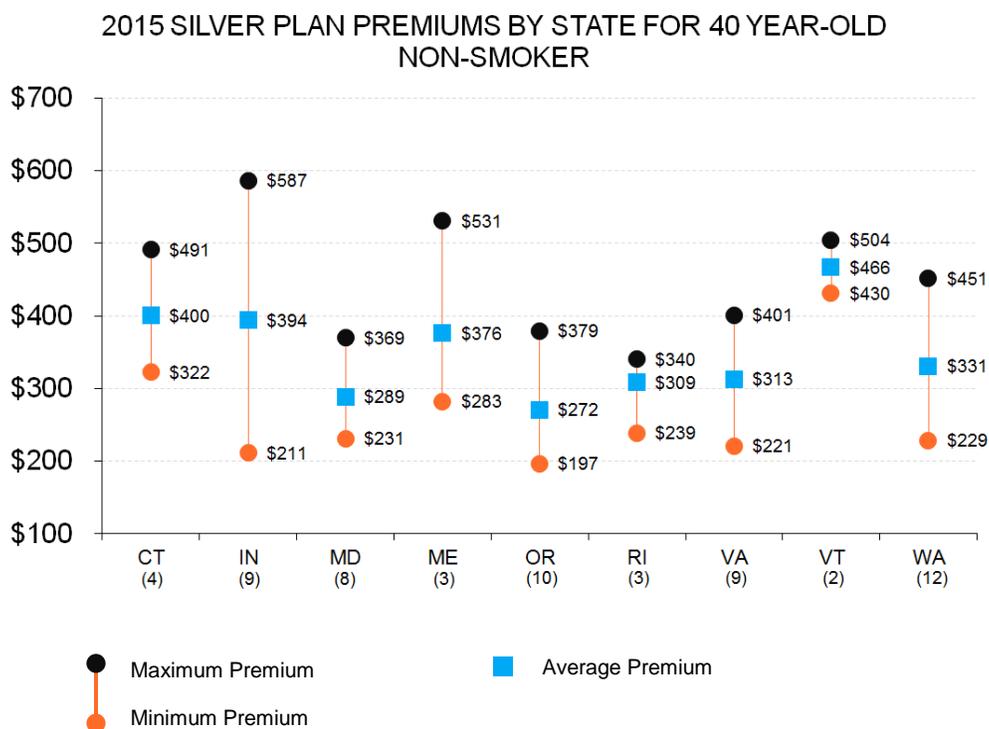
2014 VS. 2015 SILVER PLAN PREMIUMS: BY STATE, FOR 40-YEAR-OLD NON-SMOKER



Note: Figures in parenthesis indicate number of issuers as of June 11, 2014.

“As insurers experience with exchanges grows, we expect the range of plan premiums to narrow,” said Matt Eyles, executive vice president at Avalere Health. “However, given the timing of plan filings for 2015, issuers had very little data from the 2014 market to inform their pricing strategy. While average premiums are pretty steady in 2015, new market entrants are driving larger variations in some states.”

As in 2014, premiums will continue to vary significantly based on geography in 2015. Among the nine states analyzed, Oregon has the lowest average silver premium in 2015 at \$272 per month, while Vermont has the highest at \$466. Oregon also boasts the lowest premium filed at \$197. Importantly, this information is based on initial rate filings, which are subject to change before they are finalized, particularly in states that actively negotiate on rates.



Note: Figures in parenthesis indicate number of issuers as of June 11, 2014.

“Consumers need to understand what employers already understand - that health insurance premiums will generally increase to accommodate the rising cost of care,” said Dan Mendelson, CEO at Avalere Health. “But the variability of 2015 premiums by state underscores that healthcare is local, and individuals can, and should, evaluate their options to find the best deal for them.”

Methodology

Analysis includes 2014 premiums and proposed 2015 premiums in Connecticut, Indiana, Maine, Maryland, Oregon, Rhode Island, Vermont, Virginia, and Washington. All premiums are for a 40-year old non-smoker. Information was collected via rate filings that were publicly available as of June 11, 2014. Rate filings are proposed in many states; therefore, final rates may change. Data represent averages / minimums / maximums among all premiums across all rating regions in the state.

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