

## **Talking Points for 2016 Proposed Rates**

1. The Affordable Care Act (ACA) requires insurance companies to justify proposed rate increases over 10% and for states to make these proposed increases public.
  - Because states are only required to post requests for rate increases over 10%, and not for rate reductions, flat rates, or rate increases lower than 10%, we likely have an incomplete picture of the 2016 rates landscape right now.
2. The ACA is bringing increased transparency and accountability to the process by which insurers set their rates, and consumers now have a clearer picture of what carriers are proposing for the next plan year.
  - State regulators now have more tools to push back against unjustified rate increases and over the next few months should work with insurers to make sure that unjustified rate increases are appropriately adjusted.
3. These are only ***preliminary*** rate increases being proposed by insurers.
4. Many final rate increases will be lower than the proposed rates published today.
  - Thanks to the ACA, over the next several months these proposed rate increases will receive heightened scrutiny and additional review by regulators and the public.
5. Some rate increases may prove to be justified, as regulators must ensure plans can remain solvent and in some cases higher rates may be needed to maintain solvency.
  - Where higher rates aren't justified, or a just a way to recoup losses from underpricing to gain market share in 2015 plans, regulators can and should push back.