# 2019 Premium Increases Lowest on Average Since 2015

Average premiums projected to grow 3.1% heading into next year

New analysis from Avalere Health finds that average statewide individual market premiums are projected to increase 3.1% for the 2019 coverage year. This represents a slowdown in premium growth compared to 2018, when premiums grew 30% on average. Of the 47 states and DC examined, 12 are projected to see statewide average premium decreases for 2019.

"Premiums appear stable heading into the 2019 plan year," said Chris Sloan, director at Avalere. "Depending on where consumers live, they may actually see their monthly costs decrease compared to last year."

Figure 1: Projected Premium Decreases

■ Projected Individual Market Premium Decrease in 2019
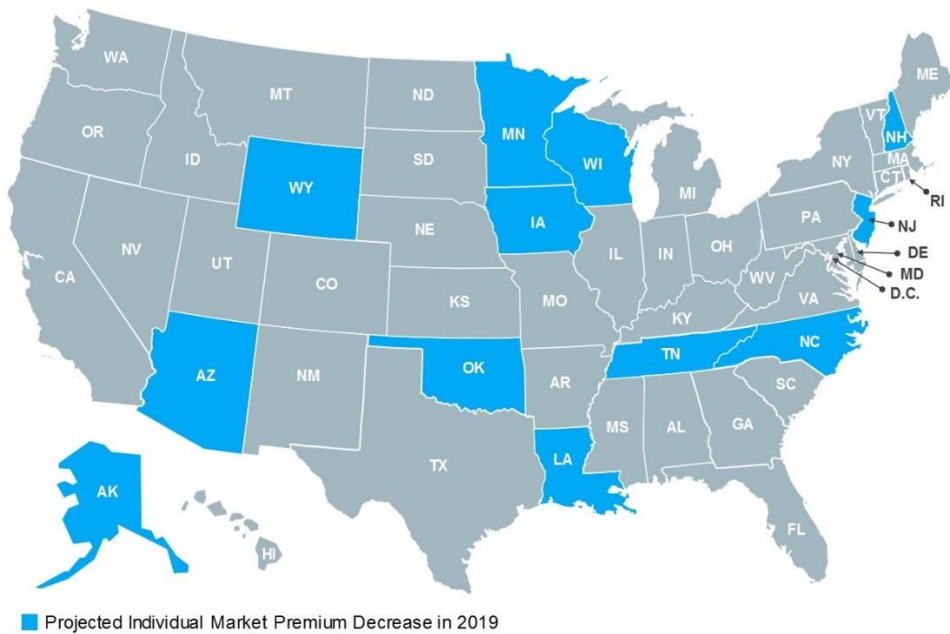
Additionally, 19 states are projected to see new health plan participation or expanded participation from existing health plans in the state. This represents a shift compared to prior trend and will mark the first time since 2015 that health plan participation nationwide is projected

to increase.

"In many states, the individual market will offer stability for consumers in 2019, despite significant policy change," said Elizabeth Carpenter, senior vice president at Avalere. "Insurers that continue to offer plans have learned what to expect from the market."

Importantly, the ability of health plans to better manage risk in this market has been at least partially offset by recent regulatory and Congressional action. Specifically, rules finalizing an expansion of short-term limited duration insurance plans and association health plans (AHPs), as well as the elimination of the individual mandate for 2019, all negatively impacted premiums. Many plan documents cited these factors driving premium increases for 2019. Without these changes, 2019 statewide average premiums could have been even lower, with an increased number of states reporting premium decreases.

Methodology

Avalere analyzed proposed and final 2019 individual market premium changes across all 50 states and DC, as well as all metal levels. Avalere was able to collect sufficient information to conduct its assessment 47 states and the District of Columbia. Rate and enrollment data were collected based on rate filings available and accessible through Department of Insurance websites, the System for Electronic Rate and Form Filing (SERFF), or Ratereview.HealthCare.Gov as of August 17, 2018.

When the state did not publicly provide the average weighted individual market rate change, Avalere calculated the average premium change using information from the above sources. For each plan participating in the state, Avalere averaged their proposed premium increases, weighting those premium increases by the plan's projected 2019 individual market enrollment. To arrive at the average premium increase for individual market in the state, Avalere summed up the enrollment weighted change in each state and dividing that figure by total projected 2019 individual market enrollment based on data from issuer rate filings.

For 9 states, Avalere was unable to access 2019 enrollment projections use to enrollment information being redacted in issuer filings. In such instances, 2018 enrollment or projections were used for enrollment weighting.

In 11 states, Avalere was required to calculate the issuer-specific rate increase using a straight average and not a plan enrollment weighted average, due to weighted rate change information being redacted in issuer filings. In all cases, the rate information was still weighted by total issuer individual enrollment when calculating the statewide average rate change. However, there is no weighting within the individual plans, as they did not provide enrollment by product.

Final approved rates may be different from the values displayed here. Due to limitation on the access to rate information, proposed 2019 premium changes were not able to be assessed for AL, MA, and MD.

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