

Premiums expected to be about 20 percent lower in 2014

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Premiums in the Health Insurance Marketplace are likely to be about 20 percent lower than anticipated in 2014, according to a report published by the U.S. Department of Health and Human Services.

(HealthDay)—Premiums in the Health Insurance Marketplace are likely to be about 20 percent lower than anticipated in 2014, according to a report published by the U.S. Department of Health and Human Services (HHS).

Noting that health insurers have to publicly justify premium rate increases of 10 percent or more, and that they have to spend at least 80 cents of every premium dollar on health care or improvements to care, the costs of premiums for 2014 are likely to be lower than expected for individual and small group plans.

According to the report, in the 11 states with information available for the individual market, the proposed premiums for 2014 were 18 percent lower than the HHS' estimate, on average. Proposed premiums were an average of 18 percent lower in the six states with information available in the small group market, compared with the premium a small employer would pay for similar coverage without the Affordable Care Act. These estimates are based on the lowest cost silver plan in the individual and small group markets, and may be even lower when [health](#) plans are offered in the Marketplace.

"Today's report shows that the Affordable Care Act is working to increase transparency and competition among [health insurance](#) plans and drive premiums down," Kathleen Sebelius, U.S. Health and Human Services Secretary, said in a statement. "The reforms in the [health care law](#) ensure consumers will have access to better coverage at a lower cost in 2014."

More information: [More Information](#)

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