

ACA Implementation—Monitoring and Tracking

2016 Premium Increases in the ACA Marketplaces: Not Nearly as Dramatic as You've Been Led to Believe

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With support from the Robert Wood Johnson Foundation (RWJF), the Urban Institute is undertaking a comprehensive monitoring and tracking project to examine the implementation and effects of the Patient Protection and Affordable Care Act of 2010 (ACA). The project began in May 2011 and will take place over several years. The Urban Institute will document changes to the implementation of national health reform to help states, researchers and policymakers learn from the process as it unfolds. Reports that have been prepared as part of this ongoing project can be found at www.rwjf.org and www.healthpolicycenter.org. The quantitative component of the project is producing analyses of the effects of the ACA on coverage, health expenditures, affordability, access and premiums in the states and nationally.

INTRODUCTION

In June and July 2015, a number of articles appeared in outlets such as the *New York Times*, *CNN Money*, *Wall Street Journal*, *Forbes*, and *CNBC* citing extremely large premium increase requests throughout the country. The *New York Times* stated that “health insurance companies around the country are seeking rate increases of 20 to 40 percent or more.”¹ *Forbes* stated that “after two years of relatively stable premiums across the country, rates would jump in 2016 by double-digit percentages for individual policies purchased on public exchanges under the Affordable Care Act in practically every state.”² The *Wall Street Journal* wrote, “the biggest insurers in some states that have made the plans’ requests public are seeking average increases such as 51.6 percent in New Mexico, 36.3 percent in Tennessee, and 30.4 percent in Maryland.”³ In general these articles argued that sizable rate increases reflect the fact that insurers had higher-than-expected utilization in 2014 and anticipated that this trend would continue. However, these dramatic reports do not reflect the premium changes that were occurring.

These data were based on early releases of rate increases requested by insurers, not approved increases. In this paper we review data on final approved premiums for 20 states—including Arkansas, California, Colorado, Connecticut, Florida, Indiana, Iowa, Maine, Maryland, Michigan, Minnesota, Nevada, New Hampshire, New Mexico, New York, Oregon, Pennsylvania, Rhode Island, Virginia, and Washington—plus the District of Columbia. Nine have state-based marketplaces using their own information technology (IT) platforms, and 12 are using the HealthCare.gov IT platform. We include the three largest rating areas in terms of population in each state with additional areas in the four largest states: California, Florida, New York and Pennsylvania. These largest rating regions sometimes include rural areas; we chose rating regions this way in order to include large segments of each state’s population. We show the changes in the lowest-cost silver plans offered by each insurer, as well as the average change in insurers’ lowest cost premiums across all insurers in a rating area. By providing data at the insurer level, we can observe which insurers are responsible for large or small average premium increases in a given area.

OTHER RECENT STUDIES AND THE MAIN FINDINGS OF OUR ANALYSIS

Previous Analyses

Other recent studies based on a review of preliminary premium requests reached somewhat less dire conclusions than those presented in the press. Avalere examined proposed rate filings from seven states (Connecticut, Maryland, Michigan, Oregon, Virginia, Vermont, and Washington) and the District of

Columbia.⁴ They constructed unweighted average premiums across the state in each year. The paper showed that rate increases for the second-lowest-cost silver plan were typically single digit in each of the states that they examined. Still, these data reflected premiums proposed by insurers, not final approved rates.

The Kaiser Family Foundation examined one major city in each of 49 states as well as the District of Columbia.⁵ However, their data are a mix of insurer-proposed rates and final approved rates. The authors focused on the second-lowest-cost silver plan premium in each of the cities they studied. They found

that rates were somewhat higher in 2016 than in 2015, but generally that increases were relatively modest. For the cities that they analyzed, the mix of proposed and approved rate increases averaged 3.6 percent in 2016.⁶ They also found that if consumers were buying the lowest-cost silver plan in

Table 1. Changes in Lowest-Cost Silver Premiums, in 20 States and the District of Columbia, 2015 to 2016

States	Lowest-Cost Silver Plan, 2015 Premium for a 40 Year Old ^{1,3}	Index Lowest-Cost Premium, State Relative to Overall Average: 2015 ¹	Lowest-Cost Silver Plan, 2016 Premium for a 40 Year Old ^{1,3}	Index Lowest-Cost Premium, State Relative to Overall Average: 2016 ¹	Average Percentage Change in Lowest-Cost Silver Premiums Across All Carriers ^{1,2}	Percentage Change in Lowest-Cost Silver Plan Available on Marketplace ^{1,2}
Arkansas	\$283	1.12	\$297	1.15	-0.8%	4.7%
California	\$271	1.07	\$273	1.05	1.2%	0.7%
Colorado	\$208	0.82	\$278	1.07	12.6%	33.8%
Connecticut	\$353	1.40	\$355	1.37	2.1%	0.5%
DC	\$242	not included ³	\$229	not included ³	-4.9%	-5.2%
Florida	\$268	1.06	\$267	1.03	0.1%	-0.4%
Indiana	\$288	1.14	\$251	0.97	-10.7%	-12.5%
Iowa	\$223	0.88	\$261	1.01	15.9%	17.2%
Maine	\$298	1.18	\$294	1.14	-6.3%	-1.1%
Maryland	\$228	0.90	\$243	0.94	8.0%	6.8%
Michigan	\$224	0.89	\$209	0.81	-1.7%	-6.1%
Minnesota	\$192	0.76	\$238	0.92	36.3%	24.4%
Nevada	\$264	1.04	\$278	1.08	6.7%	6.0%
New Hampshire	\$238	0.94	\$260	1.01	4.8%	9.3%
New Mexico	\$205	0.81	\$194	0.75	1.2%	-3.1%
New York	\$367	not included ³	\$370	not included ³	8.4%	0.8%
Oregon	\$199	0.79	\$229	0.88	18.7%	14.9%
Pennsylvania	\$228	0.90	\$249	0.96	7.3%	9.6%
Rhode Island	\$244	0.97	\$259	1.00	-4.1%	6.0%
Virginia	\$266	1.05	\$278	1.07	5.2%	4.6%
Washington	\$236	0.94	\$226	0.87	-0.8%	-4.4%
Overall Average	\$253	1.00	\$259	1.00	5.6%	4.3%

1: Data based on selected rating areas. See Table 2 for names of the specific rating regions studied.

2: Percentage changes weighted by population of regions studied.

3: Indices are not calculated for New York's rating regions and the state's premiums are not included in overall averages because New York premiums are community rated (they do not vary by age as the other states' premiums do). As a result, premiums in the state are not comparable to those for a 40 year old in the other states. Similarly, Washington, D.C. uses a different age rating curve than the other states, and as a consequence we exclude its premiums from the overall average and do not include it in the index either.

2015 and wanted to do the same in 2016, this would often require individuals to switch plans or insurers. Despite the more moderate findings of the Kaiser and Avalere analyses, the notion that 2016 was bringing large, double-digit premium increases to the marketplaces seems to have become conventional wisdom.⁷ Kaiser recently followed up that initial analysis with a second. That study found that shoppers in 1,121 counties would have a different low-cost silver marketplace plan in 2016 than in 2015 and that marketplace enrollees in those counties could lower their 2016 premium increases appreciably by moving to the new lowest-cost plan, regardless of their eligibility for tax credits.

Our Main Findings

Our conclusions are similar to those reached by Avalere and Kaiser, though based exclusively on final approved rates and based on more rating regions per study state and providing detail by location and insurer. Rate increases in 2016 are generally modest, though higher than in 2015. The key results are summarized in Table 1, which shows the average increases across all insurers in each state and the increase in the lowest-cost premiums in each state. We find that the average increase

in each insurer's lowest-cost silver plan premium across all 20 states plus the District of Columbia is 5.6 percent. If consumers in each rating region enroll in the plan with the lowest silver premium available to them in 2015, and do the same in 2016, on average they will see their premium increase by 4.3 percent. In this summary we focus on the changes in lowest-cost premiums.

In a previous paper which analyzed 2014 to 2015 changes in the lowest-cost silver premium available in every rating region in the country, we found that the increase in 2015 was 2.9 percent as compared to the 4.3 percent found here.⁸ The methods in the two papers are somewhat different, but the general conclusion that most consumers have insurance options that allow them to keep premium increases low remains true. In the rating regions we study here, the lowest-cost silver plan premium available decreased on average in 2016 in six states and the District of Columbia; in five states the lowest-cost silver premium increased by less than 5 percent on average; in five states they increased between 5 and 10 percent on average, and in four states they increased by more than 10 percent on average.

Table 2. Changes in Lowest-Cost Silver Premiums, in Selected Rating Areas, 2015 to 2016

States	Rating Area	Lowest-Cost Silver Plan, 2015 Premium for a 40 Year Old ¹	Lowest-Cost Silver Plan, 2016 Premium for a 40 Year Old ¹	Average Percentage Change in Lowest-Cost Silver Premiums Across All Carriers ^{1,2}	Percentage Change in Lowest-Cost Silver Plan Available on Marketplace ^{1,2}	Change in Lowest-Cost Insurer, 2015 to 2016 (Yes/No)
Arkansas	Little Rock	\$294	\$307	0.8%	4.5%	Yes
	Fayetteville	\$277	\$290	0.5%	4.9%	Yes
	Selected Rural Counties	\$273	\$286	-5.4%	4.8%	Yes
California	Los Angeles East	\$230	\$243	0.0%	5.5%	No
	Los Angeles West	\$247	\$236	0.0%	-4.3%	Yes
	San Diego	\$295	\$286	0.8%	-3.2%	Yes
	Sacramento	\$347	\$374	7.2%	7.8%	Yes
	San Francisco	\$356	\$352	1.6%	-1.1%	No
Colorado	Denver	\$207	\$278	12.6%	34.6%	Yes
	Colorado Springs	\$194	\$257	12.0%	32.2%	Yes
	Grand Junction	\$286	\$372	16.0%	27.0%	No
Connecticut	Bridgeport/Stamford	\$380	\$389	2.7%	2.4%	Yes
	Hartford	\$321	\$316	1.8%	-1.4%	No
	New Haven	\$355	\$356	1.9%	0.4%	Yes
DC	Entire District	\$242	\$229	-4.9%	-5.2%	Yes
Florida	Miami	\$274	\$262	-3.2%	-4.4%	No
	Orlando	\$288	\$302	4.1%	4.9%	Yes
	Jacksonville	\$271	\$263	2.8%	-3.0%	Yes
	Ft. Lauderdale	\$241	\$265	-1.3%	10.0%	No
	Tampa	\$275	\$247	3.4%	-10.2%	Yes

Indiana	Indianapolis	\$317	\$274	-12.1%	-13.7%	Yes
	Gary	\$296	\$251	-11.4%	-15.0%	Yes
	Selected Rural Counties	\$197	\$186	-5.9%	-5.9%	No
Iowa	Cedar Rapids	\$234	\$269	12.4%	15.0%	No
	Des Moines	\$195	\$233	19.4%	19.4%	No
	Sioux City	\$247	\$295	19.4%	19.4%	No
Maine	Portland	\$275	\$279	-4.4%	1.5%	Yes
	Selected Rural Counties	\$323	\$305	-7.8%	-5.6%	Yes
	Augusta	\$306	\$308	-7.9%	0.8%	No
Maryland	Baltimore	\$226	\$243	7.8%	7.6%	No
	DC Suburbs	\$226	\$243	7.3%	7.6%	No
	Selected Rural Counties	\$237	\$243	10.1%	2.7%	Yes
Michigan	North of Detroit	\$221	\$211	-1.5%	-4.4%	No
	Detroit	\$219	\$209	0.2%	-4.6%	No
	Grand Rapids	\$232	\$206	-4.5%	-10.9%	No
Minnesota	Minneapolis - St. Paul	\$181	\$228	36.6%	23.9%	Yes
	Rochester	\$282	\$329	39.1%	16.8%	No
	Selected Rural Counties	\$189	\$234	31.1%	25.5%	No
Nevada	Las Vegas	\$237	\$256	8.6%	8.2%	No
	Carson City	\$327	\$343	3.8%	4.9%	Yes
	Reno	\$308	\$298	1.7%	-3.1%	Yes
New Hampshire	Entire State	\$238	\$260	4.8%	9.3%	No
New Mexico	Albuquerque	\$167	\$186	3.4%	11.2%	Yes
	All Rural Counties	\$243	\$201	-0.8%	-17.4%	Yes
	Las Cruces	\$210	\$203	0.3%	-3.2%	Yes
New York	New York City	\$372	\$368	8.9%	-1.0%	Yes
	Long Island	\$372	\$385	10.9%	3.6%	Yes
	Buffalo	\$337	\$352	2.0%	4.3%	Yes
	Syracuse	\$361	\$378	6.8%	4.7%	No
Oregon	Portland	\$196	\$226	18.0%	15.2%	No
	Selected Rural Counties	\$207	\$237	23.6%	14.3%	Yes
	Salem	\$202	\$231	16.7%	14.0%	No
Pennsylvania	Philadelphia	\$267	\$276	0.3%	3.4%	Yes
	Pittsburgh	\$170	\$187	12.7%	9.9%	No
	Reading/Lancaster	\$225	\$253	9.3%	12.7%	Yes
	Scranton/Wilkes Barre	\$224	\$281	17.1%	25.9%	Yes
Rhode Island	Entire State	\$244	\$259	-4.1%	6.0%	Yes
Virginia	DC Suburbs	\$273	\$270	4.6%	-0.9%	Yes
	Virginia Beach/Norfolk	\$273	\$301	7.2%	10.2%	Yes
	Richmond	\$241	\$264	3.9%	9.2%	No
Washington	Seattle	\$235	\$224	-2.0%	-4.5%	No
	Selected Rural Counties	\$251	\$240	1.1%	-4.1%	No
	Spokane	\$219	\$209	0.5%	-4.3%	No

1: Data based on selected rating regions.

2: Percentage changes weighted by population in the selected rating regions.

3: "Selected Rural Counties" refers to a specific state defined rating region that includes rural areas. The rating region number is specified in the state-specific tables below.

Table 2 shows results for each study state and rating region. Out of 63 rating regions, 23 (more than one-third) have a reduction in the lowest-cost silver plan premium available in 2016 compared to 2015. Of those rating regions where there was an increase in the lowest silver plan premium available, 14 had premium increases of less than 5 percent, nine had increases between 5 and 10 percent, and 17 regions had increases of 10 percent or greater. We also found that, in 35 of the 63 rating regions (56 percent of regions studied), consumers enrolled in 2015's lowest-premium silver plan have to switch insurers in 2016 in order to continue to pay the lowest silver premium available to them.

The largest increases in lowest-cost silver plan premiums were concentrated in four states, Colorado, Iowa, Minnesota, and Oregon. These seem to be due to the 2015 lowest-cost insurers setting low premiums in 2015 and then adjusting them upward substantially in 2016. In one case (Colorado) the lowest-cost insurer exited the marketplace; those insurers which became the lowest-cost had significantly higher premiums. Of the 17 rating regions with large (10 percent or more) increases in 2016 in their lowest-cost premiums, all but two had 2015 lowest-cost silver premiums below the national average of \$264 per month.⁹ In general insurers in these regions increased rates substantially.

States with small increases generally had fairly competitive insurance markets. Which types of insurers are responsible for keeping premiums low varies by state. While some Blue Cross plans had very large rate increases, many including Anthem, have been aggressive in pricing. Blue Cross plans have been among the lowest-cost options in the District of Columbia, Indiana, Nevada, Pennsylvania, Rhode Island, Virginia, and Florida. Blue Cross insurers have often offered a more limited network plan with lower premiums than their other non-marketplace commercial products. National Medicaid plans such as Molina, Ambetter, and Coordinated Care have been strong competitors in at least some markets in states such as California, Florida, Indiana, Michigan, and Washington. Local Medicaid plans have been among the lowest-cost silver plans in New York, Minnesota and Rhode Island. Provider sponsored plans organized by hospital systems have been the lowest-cost plans in some Virginia markets, New York City and Long Island, Michigan and Oregon. Kaiser Permanente is among the lowest-cost plans in California, Maryland, Oregon, Colorado, the District of Columbia and some areas in Virginia. Aetna, Humana, and United Healthcare have been very competitive in some markets,

but often are not. Co-Ops, while failing in Oregon, New York, and Colorado, have been among the lowest-cost plans in New Hampshire, New Mexico, and Maryland.

While larger 2016 increases suggest higher-than-expected utilization of services and claims costs, overall, premium increases are still modest by historical standards. It is essential to remember that insurers operating in the marketplaces have been facing a fundamental change in their incentive structure under the ACA. With tax credits tied to the second-lowest-cost silver plan (the "benchmark" plan), individuals who choose a more expensive plan must pay the full marginal cost. With consumers having full transparency of plan options and premiums and seeking to pay no more than necessary, beginning in 2014, insurers had strong incentives to price aggressively. This is despite the fact that in the initial years they had limited information on the health care needs of those who would enroll. Insurers that choose to price high because of fear of high utilization risk losing market share; consequently, some appeared to have erred on the side of lower-than-necessary premiums and are now correcting for that as the health care profiles of their enrollees becomes clearer.

The reality is if they are to be successful, insurers must price based on future expectations, not past experience. In the initial years of coverage expansion and the ACA's reforms, the steady state composition of the nongroup insurance risk pools in marketplaces has been and remains somewhat uncertain. Early enrollment growth has been somewhat below expectations, particularly for those eligible for lower amounts of financial assistance to purchase coverage. As enrollment increases—perhaps as the penalties for not obtaining coverage increase and as information about new insurance options become more widely known and understood—insurance pools could attract increasing numbers of lower-risk individuals.¹⁰ At the same time, year-to-year variation in expected average health care costs for any particular insurer should fall and stabilize, but the process may take another two or three years to settle down. The elimination of the so-called grandfathered plans, those that are not ACA-compliant but were in place prior to 2014 and extended in many states through their 2016 plan years, should significantly improve the ACA compliant risk pools. These plans disproportionately enrolled people in relatively good health, and once the policies end, most of these enrollees will seek coverage in the ACA-compliant, nongroup insurance markets.

DATA AND METHODS

Our analysis focuses on comparing each insurer's lowest-cost silver marketplace plan premium for a 40-year-old, non-tobacco-using individual in selected rating areas within 20 states and the District of Columbia in 2015 and 2016. Relative changes in premiums for a 40-year-old are identical to those for any other age because of the fixed-age rating curves required under the ACA. We gathered 2016 premium data for the study states and regions from publicly available rate filings posted on the websites of state departments of insurance. We obtained the 2015 premiums from either Healthcare.gov or the respective state based marketplace website.¹¹

We analyze the full premiums charged by insurers. Most marketplace enrollees (those with household incomes between 100¹² and 400 percent of the federal poverty level (FPL) who do not have affordable offers of employer based insurance) do not pay the full premium. They pay a percentage of income plus or minus the difference between the premium of the plan they choose and the benchmark plan's premium. We analyze the full premium here as it is the best way to assess the price competition in each market, eliminating variation in the distribution of income in each area as a confounding factor. Within the parameters of the ACA, insurers can lower premiums through a variety of strategies, for example, limiting provider networks to lower cost hospitals and physicians, adjusting cost-sharing requirements on different types of services, and using various utilization management techniques. We do not assess these different cost-saving strategies here.

We selected only states that, as of early October 2015, had completed the rate review process and closed the filings for all of the insurers participating in the marketplace for 2015. Additionally, after the public release of the 2016 premium rates on Healthcare.gov in October 2015, we added Florida and New Hampshire. The states are a representative mix in terms of size and geographic diversity. For our selected states, we studied the three largest rating areas by total population. In the cases of California, New York, Pennsylvania and Florida we included more than three rating areas given the large populations of these states. Two of our study states—New Hampshire and Rhode Island—plus the District of Columbia have only one rating area, which spans the entire nongroup marketplace.

We analyze silver level plans because that tier of coverage is used to determine the size of advanced premium tax credits supporting the purchase of health insurance coverage

through the marketplaces. In addition, the silver plans are the most frequently purchased and are the only options that allow subsidized individuals to utilize cost-sharing reductions for which they may be eligible. We study the lowest-cost silver option offered by each insurer as these are their most competitive plans in this tier and best allow an analysis of competitive dynamics in the market.

We compiled the premium price for the lowest-cost silver plan available from each insurer in each selected rating region for a 40-year-old nonsmoker for 2015, along with the lowest-cost silver plan premiums approved for each insurer participating in 2016. We then calculated the percentage change in these two premiums for each insurer. In some cases, we were unable to calculate the percentage change for one of the following reasons: (a) the insurer was a new entrant to the marketplace in 2016, (b) the insurer expanded its service into a new rating area in 2016, or (c) the insurer left the marketplace in 2016. In some cases, particular plans may only be offered in a portion of a rating area. This is not taken into account in the calculations provided.

In addition to computing the relative change in lowest-cost silver plans between 2015 and 2016 for each insurer by rating region, we computed the average change in these premiums for each rating area and across the rating areas studied in a state. In each rating area, we also calculated the relative change in the lowest-cost silver plan premium offered by any marketplace insurer in 2015 to the lowest-cost silver plan that is available for the 2016 plan year. This provides an indicator of whether the silver tier of coverage is getting more or less expensive in a particular area. As is shown in the results, in some rating regions, the lowest-cost insurer in 2015 is different than the lowest-cost insurer in 2016. When calculating averages across rating regions, we weight using rating region population as we do not have marketplace enrollment data by rating region.

In the state specific tables we have also included the insurer type (Blue Cross Blue Shield affiliate, provider sponsored, previously Medicaid only, national, regional/local, co-op) to allow us to analyze whether insurer type appears to have an effect on pricing strategy and competitive positioning in 2016. We define Medicaid insurers as those that only offered public insurance (Medicaid with or without Medicare) plans before the 2014 nongroup open enrollment period. If an

insurer offered Medicaid plans in addition to individual, small-group or large-group plans prior to 2014, then the insurer is classified according to its other characteristics. The co-ops were established under the ACA, and all members are listed on the National Alliance of State Health Co-Ops web site. The provider-sponsored insurers are those that are directly affiliated with a provider system (generally a hospital system). Blue Cross Blue Shield insurers are those that are members of the Blue Cross Blue Shield Association.

Our results by state also include an index of average premiums in 2015 and 2016 in order to facilitate an understanding of how the lowest-cost silver plans in each study state compare to the group of 21 and how each state's relative position changed in 2016. We exclude New York from this index because New York's premiums are community rated as opposed to the fixed age-curve the other 20 states use, so its comparison to the others in this way would be somewhat distorted. We use this index to showcase how states relate to the national average.

INDIVIDUAL STATE RESULTS

In this section we summarize the major changes in marketplace lowest-cost silver premiums in each study state in 2016. We focus on which insurers are responsible for significant changes, be they increases or decreases. The analysis includes only the lowest-premium silver plans offered by each marketplace participating insurer in each of the 63 rating regions studied in 20 states and the District of Columbia. In each state specific table, we show:

1. The 2015 to 2016 change in premium for the lowest-cost silver plan each insurer offers in each rating region studied (referred to below as the change in insurer premium);
2. The average of these changes (from 1. above) within each rating region across all insurers (referred to below as the rating region average change in insurer premiums);
3. The percentage difference in the lowest-cost silver premium offered in 2016 from the lowest-cost silver premium offered in 2015 in that rating region, taking all insurers in that region into account (referred to below as the change in the region's lowest-premium option);
4. The average insurer change (from 1. above) across all regions studied in the state (referred to below as the state average change in insurer premiums);
5. The average change in the lowest silver premium (from 3. above) across all regions studied in the state (referred to below as the state average change in lowest-premium option).

Arkansas

Arkansas' state average change in insurer premiums was a decrease of 0.8 percent in 2016 across the Little Rock, Fayetteville and rural rating regions studied (Table 3). The state average change in the lowest-premium option was an increase of 4.7 percent. These changes were relatively consistent across the three rating regions. The rating region average change

in insurer premiums was an increase of less than 1 percent in both Little Rock and Fayetteville, and the rating region average decreased by 5.4 percent in the rural counties. In each of these regions, the change in the lowest-premium option ranged from 4.5 to 4.9 percent. United Healthcare entered each of these marketplace regions in 2016; no insurers exited.

At the insurer level, the most interesting finding is that the Arkansas Blue Cross Blue Shield (BCBS)—by the far the largest insurer in the state—was the lowest-cost insurer in 2015, but had the highest relative premium increases in 2016. Arkansas BCBS's lowest-cost silver premium increased by 19.0 percent in Little Rock, by 17.2 percent in Fayetteville, and by 17.1 percent in the selected rural counties. As a result of these large increases, it is no longer the lowest-cost insurer in 2016. However the multi-state plan offered by Arkansas Blue Cross Blue Shield reduced its rates by about 3 percent in each of these regions and became the lowest-cost silver option in each location. These dynamics could reflect high utilization among the BCBS enrollees in 2015 that the insurer did not expect to be recouped via the risk adjustment, reinsurance, and risk corridor mechanisms.

Other insurers in the state, particularly Ambetter, had small increases or reductions in rates and now have premiums close to those of the Arkansas BCBS multistate plan. United Healthcare entered the marketplace in 2016, but their premiums were relatively high in two of these three rating regions. QC Life and Health and Qualchoice lowered their premiums significantly in the selected rural counties, correcting for the very high premiums they charged in 2015 and making them more competitive in that rating region this year.

California

In California, the state average increase in insurer premiums across the five rating regions we examined (East Los Angeles, West Los Angeles, San Diego, Sacramento, and San Francisco) was 1.2 percent (Table 4). The state average increase in the lowest-premium option was 0.7 percent. Rate increases were

Table 3. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Arkansas

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Little Rock				
Arkansas Blue Cross Blue Shield	Blue	\$294	\$350	19.0%
Arkansas Blue Cross Blue Shield - MSP	Blue	\$317	\$307	-3.2%
Ambetter	Medicaid	\$332	\$344	3.6%
QC Life and Health	Provider	\$372	\$332	-10.8%
Qualchoice	Provider	\$372	\$354	-4.8%
UnitedHealthcare	National	N/A	\$331	N/A
Percentage Change in Region's Lowest-Premium Option				4.5%
Rating Area Average - Change in Insurer Premium ¹				0.8%
Rating Area 3: Fayetteville				
Arkansas Blue Cross Blue Shield	Blue	\$277	\$324	17.2%
Arkansas Blue Cross Blue Shield - MSP	Blue	\$298	\$290	-2.8%
Ambetter	Medicaid	\$304	\$291	-4.3%
QC Life and Health	Provider	\$335	\$312	-6.8%
Qualchoice	Provider	\$335	\$333	-0.6%
UnitedHealthcare	National	N/A	\$377	N/A
Percentage Change in Region's Lowest-Premium Option				4.9%
Rating Area Average - Change in Insurer Premium ¹				0.5%
Rating Area 2: Selected Rural Counties				
Arkansas Blue Cross Blue Shield	Blue	\$273	\$320	17.1%
Arkansas Blue Cross Blue Shield - MSP	Blue	\$295	\$286	-2.9%
Ambetter	Medicaid	\$288	\$302	4.8%
QC Life and Health	Provider	\$410	\$305	-25.5%
Qualchoice	Provider	\$410	\$325	-20.5%
UnitedHealthcare	National	N/A	\$386	N/A
Percentage Change in Region's Lowest-Premium Option				4.8%
Rating Area Average - Change in Insurer Premium ¹				-5.4%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				4.7%
State Average Change in Insurer Premiums (Select Rating Areas)¹				-0.8%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

low in each of the rating regions we examined except for Sacramento, where the rating area average change in insurer premiums was 7.2 percent. Anthem, Blue Shield, Health Net and Kaiser Permanente participate in each of the five regions in 2016. There are two new entrants this year in these five rating regions, Oscar in West Los Angeles and Health Net in Sacramento (Health Net had previously offered coverage in other Covered California regions). There were no exits of insurers in 2016.

The lowest-premium option in East Los Angeles in both 2015 and 2016 is HealthNet. They remain the lowest-cost insurer in 2016 despite a 5.5 percent increase in their lowest-priced silver plan. They are followed closely by Blue Shield, Molina Health Care (a large national Medicaid chain) and L.A. Care, creating a highly competitive, tightly priced market. In the West Los Angeles region, HealthNet was the lowest-cost insurer in 2015 and increased its lowest-cost silver premium by a small amount (3.4 percent) in 2016. Molina Health Care reduced their lowest

premium by 9.0 percent in 2016, however, and became the lowest-cost insurer in that region.

In San Diego, Health Net was the lowest-priced silver insurer in 2015 and the premium for its most price-competitive plan was essentially unchanged in 2016. But Molina reduced the premium for its lowest-cost silver plan by 9.0 percent, making it the San Diego region's lowest-cost 2016 insurer. Anthem was the lowest-cost insurer in Sacramento in 2015, but increased its premium by about 11 percent in 2016. Kaiser had a much smaller premium increase (5.1 percent) in 2016, allowing it to become the lowest-cost insurer in Sacramento this year; the difference in premiums across these insurers remains small. In San Francisco, the premiums in both years are higher than the other regions studied in the state. The Chinese Community Health Plan remains by far the lowest-cost insurer. California Blue Shield is the region's second lowest-cost insurer in 2016. Both had small reductions in their lowest premium offerings this year.

Table 4. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, California

Insurer Name	Insurer Type	2015 Lowest-Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 15: East Los Angeles				
Anthem	Blue	\$257	\$274	6.5%
Blue Shield	Blue	\$270	\$245	-9.3%
Health Net	Regional	\$230	\$243	5.5%
Kaiser Permanente	Provider	\$287	\$298	3.9%
L.A. Care	Regional	\$265	\$254	-4.3%
Molina Healthcare	Medicaid	\$259	\$253	-2.3%
Percentage Change in Region's Lowest-Premium Option				5.5%
Rating Area Average - Change in Insurer Premium ¹				0.0%
Rating Area 16: West Los Angeles				
Anthem	Blue	\$270	\$278	2.9%
Blue Shield	Blue	\$308	\$318	3.4%
Health Net	Regional	\$247	\$255	3.4%
Kaiser Permanente	Provider	\$300	\$312	3.9%
L.A. Care	Regional	\$278	\$266	-4.3%
Molina Healthcare	Medicaid	\$259	\$236	-9.0%
Oscar	Regional	N/A	\$298	N/A
Percentage Change in Region's Lowest-Premium Option				-4.3%
Rating Area Average - Change in Insurer Premium ¹				0.0%

Rating Area 19: San Diego				
Anthem	Blue	\$333	\$361	8.5%
Blue Shield	Blue	\$343	\$342	-0.2%
Health Net	Regional	\$295	\$296	0.2%
Kaiser Permanente	Provider	\$314	\$329	4.8%
Sharp	Provider	\$329	\$344	4.7%
Molina Healthcare	Medicaid	\$314	\$286	-9.0%
Percentage Change in Region's Lowest-Premium Option				-3.2%
Rating Area Average - Change in Insurer Premium ¹				0.8%
Rating Area 3: Sacramento				
Anthem	Blue	\$347	\$386	11.2%
Blue Shield	Blue	\$357	\$388	8.7%
Western Health Advantage	Provider	\$381	\$395	3.7%
Kaiser Permanente	Provider	\$356	\$374	5.1%
Health Net	Regional	N/A	\$408	N/A
Percentage Change in Region's Lowest-Premium Option				7.8%
Rating Area Average - Change in Insurer Premium ¹				7.2%
Rating Area 4: San Francisco				
Anthem	Blue	\$414	\$455	9.9%
Blue Shield	Blue	\$401	\$388	-3.2%
CCHP	Regional	\$356	\$352	-1.1%
Health Net	Regional	\$449	\$438	-2.4%
Kaiser Permanente	Provider	\$393	\$413	5.0%
Percentage Change in Region's Lowest-Premium Option				-1.1%
Rating Area Average - Change in Insurer Premium ¹				1.6%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				0.7%
State Average Change in Insurer Premiums (Select Rating Areas)¹				1.2%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 5. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Colorado

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 3: Denver				
Kaiser Permanente	Provider	\$240	\$283	17.8%
Humana	National	\$244	\$278	13.7%
Colorado Health OP	Co-op	\$207	N/A	N/A
Denver Health Medical Plan	Provider	\$318	\$363	13.8%
Colorado Choice Health Plan	Regional	\$308	\$287	-6.8%
Rocky Mountain Health Plans	Regional	\$345	\$459	33.2%
Cigna	National	\$339	\$296	-12.4%
HMO Colorado (Anthem)	Blue	\$316	\$402	27.0%
All Savers	National	\$349	\$331	-5.1%
New Health Ventures (Access Health Colorado)	Regional	\$274	N/A	N/A
United Healthcare of CO	National	N/A	\$319	N/A
Percentage Change in Region's Lowest-Premium Option				34.6%
Rating Area Average - Change in Insurer Premium ¹				12.6%
Rating Area 5: Grand Junction				
Rocky Mountain Health Plans	Regional	\$293	\$372	27.0%
HMO Colorado (Anthem)	Blue	\$359	\$373	4.0%
Colorado Health OP	Co-op	\$317	N/A	N/A
New Health Ventures (Access Health Colorado)	Regional	\$396	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				27.0%
Rating Area Average - Change in Insurer Premium ¹				16.0%
Rating Area 2: Colorado Springs				
Humana	National	\$233	\$267	15.0%
Colorado Choice Health Plan	Regional	\$276	\$257	-7.0%
Kaiser Permanente	Provider	\$257	\$259	1.0%
Rocky Mountain Health Plans	Regional	\$312	\$451	45.0%
HMO Colorado (Anthem)	Blue	\$296	\$320	8.0%
Colorado Health Op	Co-op	\$194	N/A	N/A
New Health Ventures (Access Health Colorado)	Regional	\$251	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				32.2%
Rating Area Average - Change in Insurer Premium ¹				12.0%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				33.8%
State Average Change in Insurer Premiums (Select Rating Areas)¹				12.6%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 6. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Connecticut

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Bridgeport/Stamford				
ConnectiCare Benefits Inc.	Regional	\$395	\$389	-1.4%
Anthem Blue Cross and Blue Shield	Blue	\$422	\$429	1.6%
UnitedHealthcare	National	\$407	\$416	2.3%
HealthyCT Inc.	Co-op	\$380	\$412	8.4%
Percentage Change in Region's Lowest-Premium Option				2.4%
Rating Area Average - Change in Insurer Premium ¹				2.7%
Rating Area 2: Hartford				
ConnectiCare Benefits Inc.	Regional	\$321	\$316	-1.4%
Anthem Blue Cross and Blue Shield	Blue	\$334	\$339	1.6%
UnitedHealthcare	National	\$386	\$381	-1.4%
HealthyCT Inc.	Co-op	\$333	\$360	8.3%
Percentage Change in Region's Lowest-Premium Option				-1.4%
Rating Area Average - Change in Insurer Premium ¹				1.8%
Rating Area 5: New Haven				
Anthem	Blue	\$365	\$371	1.6%
HealthyCT Inc.	Co-op	\$355	\$383	7.9%
UnitedHealthcare	National	\$370	\$373	0.9%
ConnectiCare	Regional	\$362	\$356	-1.4%
Percentage Change in Region's Lowest-Premium Option				0.4%
Rating Area Average - Change in Insurer Premium ¹				1.9%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				0.5%
State Average Change in Insurer Premiums (Select Rating Areas)¹				2.1%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 7. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, District of Columbia

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Entire District				
CareFirst	Blue	\$256	\$229	-10.6%
Kaiser Permanente	Provider	\$242	\$243	0.7%
Aetna	National	\$306	N/A	N/A
Percentage Change in Lowest-Premium Option				-5.2%
Average Change in District ¹				-4.9%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Colorado

Colorado is one of the four study states where several insurers had very large premium increases in 2016 (Table 5). The state average change in insurer premiums was 12.6 percent across the three rating regions studied (Denver; Grand Junction; and Colorado Springs). The state average change in lowest-premium option was 33.8 percent. These changes are relatively consistent in all three rating regions and are largely attributable to the exit from these markets of the 2015 lowest-cost insurer, Colorado Health Op. Colorado Health Op reduced premiums dramatically between 2014 and 2015 and became the lowest-cost insurer in these areas. Presumably, high claims costs in 2015 forced them to exit the market. Plus, many of the remaining insurers had large increases in 2016.

In the Denver region, Colorado Health Op had an extremely low premium in 2015. The two next lowest-cost insurers in 2015, Kaiser Permanente and Humana, increased their premiums significantly in 2016 (17.8 and 13.7 percent, respectively), but nonetheless are the lowest-cost insurers in 2016 given Colorado Health Op's exit from the market. As a result, the change in the region's lowest-premium option was 34.6 percent this year. In Grand Junction, the Rocky Mountain Health Plan, headquartered in that city, was by far the lowest-cost insurer in 2015. Rocky Mountain's 27.0 percent premium increase in 2016 still allows the insurer to remain the lowest-priced offeror. HMO Colorado, a product of Anthem is very similar in price in 2016.

In Colorado Springs as well, Colorado Health Op had by far the lowest premium in 2015. Colorado Choice Health Plan became the lowest-premium insurer in 2016 following the co-op's exit, followed closely by Kaiser Permanente and Humana. While the region's lowest-premium option increased by 32.2 percent, this can be explained by the exit of Colorado Health Op, which appears to have set its premiums unrealistically low in 2015. The Rocky Mountain Health Plan's lowest-cost silver premium increased tremendously in Colorado Springs as it did in the other study regions, and Humana increased its lowest-cost silver plan premium by 15 percent.

Connecticut

Connecticut has fairly high premiums by national standards but, in general, insurers increased premiums there very little in 2016 (Table 6). The state average increase in insurer premiums across our three selected rating regions (Bridgeport/Stamford, Hartford and New Haven) was 2.1 percent. The state average change in lowest-premium option was only 0.5 percent. Each rating region average change in insurer premiums was small (2.7 percent in Bridgeport, Stamford; 1.8 percent in Hartford, and 1.9 percent in New Haven). The change in each of the region's lowest-premium options was small or negative.

HealthyCT Inc., a co-op, was the 2015 lowest-priced insurer in Bridgeport/Stamford and in New Haven and was quite competitive in Hartford. In 2016, the insurer increased its lowest-priced silver plan premiums approximately 8 percent in each rating region, by far the largest relative increase among the insurers in these regions. ConnectiCare Benefits Inc., a local commercial insurer, decreased its premiums modestly in 2016, becoming the lowest-cost insurer in the Bridgeport/Stamford and New Haven regions and keeping it the lowest-cost insurer in Hartford. Anthem Blue Cross Blue Shield is price-competitive in Hartford and New Haven, but is the highest-priced insurer in Bridgeport/Stamford. United HealthCare participates in each of these three regions, but is most price-competitive in New Haven.

Washington, D.C.

In the District of Columbia premiums are low by national standards, and the District's average insurer premium fell by 4.9 percent in 2016 (Table 7). The District's lowest-premium option fell by 5.2 percent. In 2015, Kaiser Permanente offered the lowest-premium silver plan and had a very small increase in 2016. But CareFirst BlueCross Blue Shield decreased the premium for its lowest-cost silver plan by 10.6 percent and became the lowest-cost plan in 2016. Aetna, the highest-priced insurer in 2015 and one which had a low market share in the area, left the D.C. marketplace in 2016.

Florida

In Florida we examined five rating regions (Miami, Orlando, Jacksonville, Ft. Lauderdale, and Tampa) (Table 8). In 2016, there was virtually no change in state average insurer premiums, an increase of only 0.1 percent. The state average change in the lowest-premium option was likewise extremely small, a decrease of 0.4 percent. However, there was significant variation across rating regions and insurers.

In Miami, the lowest-cost insurers in 2015 were Ambetter and Molina, both national Medicaid chains. In 2016 Ambetter reduced its premiums slightly, by 4.4 percent, while Molina kept its premium constant, allowing Ambetter to hold the most price-competitive position this year. Florida's Blue HMO reduced the premium of its lowest-cost silver offering in Miami by almost 29 percent, making it much more price-competitive than in 2015. It followed a similar strategy throughout the regions studied. In Ft Lauderdale, Coventry offered the lowest-cost silver plan in 2015, and despite a 10 percent premium increase, remains the most competitive in that region in 2016. However, in 2016, it faces stronger competition from Ambetter, Florida Blue Cross HMO, and Molina.

In Orlando, the Florida Blue Cross HMO is now the lowest-premium option, replacing Humana. Neither of the Medicaid plans, Ambetter nor Molina, is currently participating in the Orlando marketplace region. The change in the Orlando region's lowest-premium option was 4.9 percent in 2016. In Tampa, the change in the region's lowest-premium option was a decline of 10.2 percent, the result of Ambetter's entry into this region. The rating region average change in insurer premium was a modest 3.4 percent. In Jacksonville, there was also a decline in the rating region's lowest-premium option due to the entrance into that market of Ambetter, with the premium of the lowest-cost option falling by 3.0 percent.

Indiana

In the three Indiana rating regions we studied (Indianapolis, Gary, and selected rural counties), marketplace competition was intense between Anthem (a Blue Cross Blue Shield plan) and three Medicaid insurers: Caresource, Ambetter, MDwise

in both 2015 and 2016 (Table 9). That competition was enhanced in 2016 by the entry of IU Health Plan (a partnership with the Indiana University School of Medicine) into two of these markets and that insurer's large premium decrease in Indianapolis. The state had a large, 10.7 percent, decrease in average premiums in 2016. The state average change in lowest-premium option was a substantial decrease of -12.5 percent. As shown in Table 1, Indiana premiums were above the national average in 2015.

In Indianapolis, CareSource and Ambetter were the lowest-cost insurers in 2015. In 2016, Anthem decreased its lowest-cost silver plan premium by 21.9 percent to become the lowest-cost insurer. Six of the seven insurers offering marketplace coverage in Indianapolis in 2016 reduced their premiums this year, with the only one not reducing premiums (All Savers) increasing its lowest silver premium by 1.2 percent, offering consumers many lower cost alternatives. Assurant, the highest-priced insurer in the area in 2015, left the market in 2016 (likewise for Gary and

Table 8. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Florida

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 43: Miami				
Ambetter	Medicaid	\$274	\$262	-4.4%
Coventry	National	\$309	\$301	-2.6%
Florida Blue (BCBS of Florida)	Blue	\$362	\$347	-4.1%
Florida Blue HMO	Blue	\$430	\$307	-28.6%
Humana	National	\$301	\$362	20.3%
Molina	Medicaid	\$274	\$274	0.0%
UnitedHealthcare	National	N/A	\$366	N/A
Cigna	National	\$419	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-4.4%
Rating Area Average - Change in Insurer Premium ¹				-3.2%
Rating Area 48: Orlando				
Florida Blue (BCBS of Florida)	Blue	\$312	\$312	0.0%
Florida Blue HMO	Blue	\$374	\$302	-19.3%
Humana	National	\$288	\$336	16.7%
Cigna	National	\$374	N/A	N/A
UnitedHealthcare	National	\$298	\$355	19.1%
Percentage Change in Region's Lowest-Premium Option				4.9%
Rating Area Average - Change in Insurer Premium ¹				4.1%

Rating Area 15: Jacksonville				
Ambetter	Medicaid	N/A	\$263	N/A
Florida Blue (BCBS of Florida)	Blue	\$291	\$286	-1.7%
Florida Blue HMO	Blue	\$340	\$290	-14.7%
UnitedHealthcare	National	\$280	\$336	20.0%
Coventry	National	\$271	\$292	7.7%
Percentage Change in Region's Lowest-Premium Option				-3.0%
Rating Area Average - Change in Insurer Premium ¹				2.8%
Rating Area 6: Ft. Lauderdale				
Coventry	National	\$241	\$265	10.0%
Ambetter	Medicaid	\$293	\$277	-5.5%
Florida Blue (BCBS of Florida)	Blue	\$363	\$342	-5.8%
Florida Blue HMO	Blue	\$388	\$279	-28.1%
Molina	Medicaid	\$287	\$288	0.3%
Humana	National	\$272	\$299	9.9%
UnitedHealthcare	National	\$308	\$338	9.7%
Percentage Change in Region's Lowest-Premium Option				10.0%
Rating Area Average - Change in Insurer Premium ¹				-1.3%
Rating Area 28: Tampa				
Ambetter	Medicaid	N/A	\$247	N/A
Florida Blue (BCBS of Florida)	Blue	\$275	\$275	0.0%
Florida Blue HMO	Blue	\$345	\$287	-16.8%
Humana	National	\$275	\$306	11.3%
UnitedHealthcare	National	\$292	\$348	19.2%
Cigna	National	\$369	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-10.2%
Rating Area Average - Change in Insurer Premium ¹				3.4%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				-0.4%
State Average Change in Insurer Premiums (Select Rating Areas)¹				0.1%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 9. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Indiana

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 10: Indianapolis				
UnitedHealthcare	National	\$386	\$390	1.2%
Anthem	Blue	\$351	\$274	-21.9%
Caresource	Medicaid	\$317	\$304	-4.1%
Ambetter	Medicaid	\$329	\$298	-9.5%
IU Health Plan	Provider	\$408	\$308	-24.5%
Mdwise	Provider	\$365	\$286	-21.7%
PHP	Provider	\$403	\$386	-4.1%
Assurant	National	\$525	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-13.7%
Rating Area Average - Change in Insurer Premium ¹				-12.1%
Rating Area 1: Gary (Northwest Counties)				
UnitedHealthcare	National	\$382	\$348	-8.9%
Anthem	Blue	\$321	\$251	-21.6%
Caresource	Medicaid	\$317	\$282	-11.2%
Ambetter	Medicaid	\$296	\$286	-3.5%
IU Health Plan	Provider	N/A	\$282	N/A
Mdwise	Medicaid	\$339	\$267	-21.0%
PHP	Provider	\$385	\$376	-2.3%
Assurant	National	\$425	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-15.0%
Rating Area Average - Change in Insurer Premium ¹				-11.4%
Rating Area 16: Selected Rural Counties				
UnitedHealthcare	National	\$282	\$285	1.3%
Anthem	Blue	\$259	\$206	-20.3%
Caresource	Medicaid	\$217	\$237	9.2%
Ambetter	Medicaid	\$197	\$186	-5.9%
IU Health Plan	Provider	N/A	\$227	N/A
Mdwise	Medicaid	\$293	\$244	-16.8%
SIHO Insurance Services	Regional	\$347	\$338	-2.7%
Assurant	National	\$401	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-5.9%
Rating Area Average - Change in Insurer Premium ¹				-5.9%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				-12.5%
State Average Change in Insurer Premiums (Select Rating Areas)¹				-10.7%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 10. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Iowa

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 6: Cedar Rapids				
UnitedHealthcare	National	N/A	\$284	N/A
Coventry Healthcare	National	\$234	\$269	15.0%
Medica	Medicaid	N/A	\$382	N/A
CoOpportunity Health	Co-op	N/A	N/A	N/A
Gundersen	Medicaid	\$370	\$406	9.8%
Percentage Change in Region's Lowest-Premium Option				15.0%
Rating Area Average - Change in Insurer Premium ¹				12.4%
Rating Area 2: Des Moines				
UnitedHealthcare	National	N/A	\$275	N/A
Coventry Healthcare	National	\$195	\$233	19.4%
Medica	Medicaid	N/A	\$376	N/A
CoOpportunity	Co-op	N/A	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				19.4%
Rating Area Average - Change in Insurer Premium ¹				19.4%
Rating Area 3: Sioux City				
Coventry Healthcare	National	\$247	\$295	19.4%
UnitedHealthcare	National	N/A	\$319	N/A
Medica	Medicaid	N/A	\$375	N/A
Avera	Provider	\$355	N/A	N/A
CoOpportunity Health	Co-op	N/A	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				19.4%
Rating Area Average - Change in Insurer Premium ¹				19.4%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				17.2%
State Average Change in Insurer Premiums (Select Rating Areas)¹				15.9%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 11. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Maine

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Portland				
Maine Community Health Options (Co-op)	Co-op	\$282	\$284	0.7%
Anthem	Blue	\$275	\$288	4.8%
Harvard Pilgrim	Regional	\$366	\$287	-21.7%
Anthem MSP	Blue	\$305	\$301	-1.3%
Aetna	National	N/A	\$279	N/A
Percentage Change in Region's Lowest-Premium Option				1.5%
Rating Area Average - Change in Insurer Premium ¹				-4.4%
Rating Area 3: Selected Rural Counties				
Maine Community Health Options (Co-op)	Co-op	\$323	\$326	0.9%
Anthem	Blue	\$343	\$334	-2.6%
Anthem MSP	Blue	\$380	\$350	-8.0%
Harvard Pilgrim	Regional	\$404	\$318	-21.3%
Aetna	National	N/A	\$305	N/A
Percentage Change in Region's Lowest-Premium Option				-5.6%
Rating Area Average - Change in Insurer Premium ¹				-7.8%
Rating Area 2: Augusta				
Maine Community Health Options (Co-op)	Co-op	\$306	\$308	0.8%
Anthem	Blue	\$319	\$311	-2.6%
Anthem MSP	Blue	\$354	\$325	-8.2%
Harvard Pilgrim	Regional	\$397	\$312	-21.3%
Percentage Change in Region's Lowest-Premium Option				0.8%
Rating Area Average - Change in Insurer Premium ¹				-7.9%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				-1.1%
State Average Change in Insurer Premiums (Select Rating Areas)¹				-6.3%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

the selected rural counties). The rating region average insurer premium fell by 12.1 percent and the change in Indianapolis' lowest-premium option fell by 13.7 percent.

In Gary, the competitive dynamics were similar, with Anthem decreasing its lowest-cost silver premium by 21.6 percent and overtaking CareSource and Ambetter to be the lowest-premium option in 2016. Every insurer participating in the region in 2016 reduced the premium for its lowest-cost silver plan, leading to a rating region average decrease in insurer premiums of 11.4 percent and a decrease of 15.0 percent in the region's lowest-premium option.

In a set of rural counties in the southeastern part of the state, Ambetter had the lowest silver premium in 2015 and remains the lowest-cost insurer in 2016 following a 5.9 percent premium reduction. Both Anthem and MDwise had large reductions in rates, but did not reduce premiums to the levels offered by Ambetter. All Savers participated in the region in both years, but has premiums well above those of the insurers mentioned above. IU Health Plan entered this region in 2016 with very competitive premiums.

Iowa

Iowa had very little insurer marketplace participation in 2015, with only one or two insurers per rating area, but those that did participate increased premiums significantly in 2016 (Table 10). The state's co-op left the marketplace entirely in early 2015. Iowa 2015 premiums were low, however, relative to the nation average. Two insurers, United Healthcare (a national insurer) and Medica (a Medicaid insurer), joined the state's marketplace in 2016. United Health Care and Medica entered the marketplaces in 2016 in all three regions, but with premiums well above Coventry.

In 2015 Coventry Healthcare, a large national insurer now part of Aetna, was the only insurer offering coverage statewide, including the three rating regions studied here, Cedar Rapids, Des Moines, and Sioux City. In Cedar Rapids, Gunderson, a Medicaid insurer, offered coverage as well, but at a much higher rate.

Coventry increased premiums for its lowest-cost silver plans by 15.0 percent in Cedar Rapids and 19.4 percent in Des Moines and Sioux City. Gunderson, the only 2015 competitor to Coventry in these regions remaining in the market in 2016 increased its lowest-cost premium by 9.8 percent. The premium increases for these two insurers averaged 15.9 percent across these three regions. The state average change in the lowest-premium option was 17.2 percent. Marketplace enrollment in Iowa was relatively low in 2015, reflecting the lack of insurance options as well as other issues.¹³ Worth noting is that

Wellmark, the state's largest nongroup insurer by far, has yet to participate in the state's marketplace. Wellmark announced that they will join the marketplace in 2017, once the so-called grandmothers plans (a market they dominate) expire; this is likely to change the competitive dynamics of the marketplace.¹⁴

Maine

The Maine state average change in insurer premiums across the three rating regions we studied (Portland, Augusta, and selected rural counties) decreased 6.3 percent in 2016 (Table 11). The state average change in the lowest-premium option was a modest decrease of 1.1 percent. The drop in average premiums was strongly affected by large reductions in premiums by Harvard Pilgrim, with over 21 percent reductions in each of these three rating regions.

In the Portland region, Anthem was the lowest-cost option in 2015, and increased its lowest-cost silver premium by 4.8 percent in 2016. Its multi-state plan was less competitively priced. Aetna entered the market in 2016 with the lowest premium, and as a result, the increase in the region's lowest-premium option was only 1.5 percent. In 2016, all of Portland's marketplace insurers have premiums close to one another in price, creating an intensely competitive environment.

In our selected rural region in Maine, the lowest-premium option in 2015 was the Maine Community Health Options, a co-op. Despite a very small 2016 increase in the premium of the lowest-premium silver plan offered by the co-op, Aetna entered this rating region with a lower premium as well, making it the lowest premium offered this year. Thus, the region's lowest-premium option fell by 5.6 percent. The rating region average insurer premium fell by 7.8 percent. In the Augusta market, the lowest-premium option in 2015 and 2016 was offered by Maine Community Health Options, but both Anthem and Harvard Pilgrim offer 2016 plans with only slightly higher premiums, resulting in another highly competitive Maine market.

Maryland

Maryland's state average change in insurer premiums was 8.0 percent in 2016 across the three rating regions we studied (Baltimore, DC suburbs, selected rural counties) (Table 12). The state's average change in the lowest-premium option was 6.8 percent. The three rating regions' average change in insurer premiums ranged between 7.3 percent and 10.1 percent. The driving force behind these above average rate increases were large premium hikes by CareFirst, the state's Blue Cross Blue Shield insurer, both in its Blue Choice product line and through its multi-state plan (MSP).

Table 12. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Maryland

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Baltimore				
BlueChoice	Blue	\$244	\$296	21.3%
CareFirst of Maryland (MSP)	Blue	\$274	\$353	29.0%
Evergreen Health	Co-op	\$235	\$252	7.3%
Kaiser Permanente	Provider	\$226	\$243	7.6%
All-Savers	National	\$315	\$311	-1.5%
Cigna	National	\$340	\$316	-7.1%
United Healthcare	National	\$253	\$249	-1.9%
Percentage Change in Region's Lowest-Premium Option				7.6%
Rating Area Average - Change in Insurer Premium ¹				7.8%
Rating Area 3: Washington, D.C. Suburbs				
BlueChoice	Blue	\$227	\$276	21.5%
CareFirst of Maryland (MSP)	Blue	\$255	\$329	29.2%
Evergreen Health	Co-op	\$231	\$255	10.1%
Kaiser Permanente	Provider	\$226	\$243	7.6%
All-Savers	National	\$315	\$311	-1.5%
Cigna	National	\$345	\$266	-22.9%
UnitedHealthcare	National	\$259	\$255	-1.3%
Percentage Change in Region's Lowest-Premium Option				7.6%
Rating Area Average - Change in Insurer Premium ¹				7.3%
Rating Area 2: Selected Rural Counties				
BlueChoice	Blue	\$239	\$290	21.4%
CareFirst of Maryland (MSP)	Blue	\$268	\$346	29.0%
Evergreen Health	Co-op	\$237	\$261	10.1%
Kaiser Permanente	Provider	N/A	\$243	N/A
All-Savers	National	\$315	\$311	-1.5%
UnitedHealthcare	National	N/A	\$261	N/A
Cigna	National	\$345	\$315	-8.7%
Percentage Change in Region's Lowest-Premium Option				2.7%
Rating Area Average - Change in Insurer Premium ¹				10.1%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				6.8%
State Average Change in Insurer Premiums (Select Rating Areas)¹				8.0%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 13. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Michigan

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 2: North of Detroit				
Blue Care Network of Michigan	Blue	\$244	\$236	-3.3%
McLaren Health Plan, Inc.	Provider	\$309	\$324	4.9%
Blue Cross Blue Shield of Michigan (MSP)	Blue	\$301	\$331	10.1%
Priority Health	Provider	\$286	\$246	-14.0%
Alliance Life and Health	Provider	N/A	\$334	N/A
Health Alliance Plan	Provider	\$264	\$258	-2.3%
Humana Insurance Company	National	\$221	\$211	-4.4%
Molina	Medicaid	\$252	\$229	-8.8%
Total Health Care	Regional	\$243	\$250	2.8%
UnitedHealthcare	National	\$248	\$253	1.7%
Assurant	National	\$347	N/A	N/A
Consumers Mutual Insurance of Michigan	Co-op	\$348	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-4.4%
Rating Area Average - Change in Insurer Premium ¹				-1.5%
Rating Area 1: Detroit				
Humana Insurance Company	National	\$219	\$209	-4.6%
Total Health Care USA, Inc.	Regional	\$243	\$250	2.8%
Blue Care Network of Michigan	Blue	\$234	\$236	0.6%
McLaren Health Plan, Inc.	Provider	\$309	\$324	4.9%
Health Alliance Plan (HAP)	Provider	\$266	\$260	-2.3%
Blue Cross Blue Shield of Michigan (MSP)	Blue	\$301	\$332	10.2%
Priority Health	Provider	\$285	\$246	-13.8%
Molina	Medicaid	\$252	\$229	-8.8%
Alliance Health and Life	Provider	\$338	\$335	-0.9%
Consumers Mutual Insurance of Michigan	Co-op	\$348	N/A	N/A
Assurant	National	\$334	N/A	N/A
UnitedHealthcare	National	\$230	\$262	14.1%
Percentage Change in Region's Lowest-Premium Option				-4.6%
Rating Area Average - Change in Insurer Premium ¹				0.2%

Rating Area 12: Grand Rapids				
Blue Care Network of Michigan	Blue	\$286	\$226	-20.7%
McLaren Health Plan, Inc.	Provider	\$274	\$287	4.9%
Priority Health	Provider	\$273	\$235	-14.0%
Blue Cross Blue Shield of Michigan (MSP)	Blue	\$326	\$378	15.9%
Consumers Mutual Insurance of Michigan	Co-op	\$274	N/A	N/A
Humana Insurance Company	National	\$232	\$206	-10.9%
Assurant	National	\$328	N/A	N/A
Physician's Health Plan	Provider	\$356	\$348	-2.3%
Percentage Change in Region's Lowest-Premium Option				-10.9%
Rating Area Average - Change in Insurer Premium ¹				-4.5%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				-6.1%
State Average Change in Insurer Premiums (Select Rating Areas)¹				-1.7%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

In Baltimore, increases in the lowest-cost silver premiums offered through Blue Choice and the Carefirst MSP exceeded 20 percent. The lowest-cost option in Baltimore was Kaiser Permanente in both 2015 and 2016, despite a 7.6 percent increase. Kaiser has strong competition in 2016 from both Evergreen Health (the state's co-op) and United Healthcare. CareFirst, which had been the lowest-cost plan in Baltimore in 2014 (data not shown), has premiums in 2016 which are well above all the other marketplace insurers' lowest-premium options. Similar market relationships and premium changes occurred in the DC suburbs, with large increases for Blue Cross plans and Kaiser and Evergreen being the low-cost insurers. Cigna became increasingly competitive in this region in 2016.

In the rural counties in the southern part of Maryland as well, the Carefirst Blue Choice and MSP options increased their premiums by over 20 percent. While Evergreen Health had been the lowest-cost plan in this rating region in 2015, Kaiser Permanente entered in 2016 and captured the lowest-silver premium position. Kaiser's lowest-cost premium is, however, followed closely by Evergreen Health and United Healthcare. Because of the entrance of Kaiser Permanente, the change in the region's lowest-premium option was only 2.7 percent in this rural area.

Michigan

Michigan has a highly competitive market with eight or more insurers in each of the three rating regions we examined (North of Detroit, Detroit, and Grand Rapids) (Table 13). The state

average change in insurer premiums in 2016 was a decrease of 1.7 percent. But because of premium reductions by Humana, the lowest-cost insurer in 2015, the state average change in the lowest-premium option fell by 6.1 percent.

In suburbs north of Detroit (the largest rating area by population), Humana was the lowest-cost insurer in both 2015 and 2016, and reduced its lowest-cost silver option premium by 4.4 percent this year. Humana has strong competition from Molina - a national Medicaid plan, Priority Health - a provider sponsored insurer, and the Blue Care Network of Michigan - a Blue Cross HMO. Each has premiums close to, but greater than, Humana's. Total Health Care, United Health Care, and Health Alliance Plan are not far behind them. The rating region average change in insurer premium was a 1.5 percent decrease in 2016, but the rating region's lowest-premium option (offered by Humana) decreased by 4.4 percent.

In Detroit, there was strong competition among the same four lowest-cost insurers as in the north suburbs. Humana remained the lowest-cost insurer in both 2015 and 2016, with a 4.6 percent reduction in the premium of its lowest-cost silver plan in 2016. The Blue Care Network of Michigan, Priority Health, and Molina all had silver plan premiums close to, but above that of Humana. In this region, average insurer premiums stayed about constant, but the lowest-premium option costs 4.6 percent less in 2016 than in 2015. In Grand Rapids, Humana remained the lowest-cost plan in 2016, with a 10.9 percent reduction in its lowest-cost silver plan premium. The Blue Care Network of Michigan and Priority Health both significantly

Table 14. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Minnesota

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 8: Minneapolis, St. Paul, Bloomington				
HealthPartners	Regional	\$181	\$235	29.8%
BCBS Minnesota	Blue	\$201	\$321	59.8%
Ucare	Medicaid	\$183	\$228	24.4%
Medica	Medicaid	\$222	\$254	14.2%
BCBS Minnesota (MSP)	Blue	\$249	\$361	45.1%
Blue Plus	Blue	\$205	\$300	46.4%
Percentage Change in Region's Lowest-Premium Option				25.5%
Rating Area Average - Change in Insurer Premium ¹				36.6%
Rating Area 1: Rochester				
Medica	Medicaid	\$282	\$329	16.8%
BCBS Minnesota	Blue	\$283	\$445	57.5%
BCBS Minnesota (MSP)	Blue	\$351	\$502	42.9%
Blue Plus	Blue	N/A	\$422	N/A
Percentage Change in Region's Lowest-Premium Option				16.8%
Rating Area Average - Change in Insurer Premium ¹				39.1%
Rating Area 7: Selected Rural Counties				
HealthPartners	Regional	\$207	\$260	25.9%
Ucare	Medicaid	\$189	\$234	23.9%
BCBS Minnesota	Blue	\$222	\$358	60.9%
Medica	Medicaid	\$236	\$243	2.8%
Blue Plus	Blue	\$225	\$286	27.4%
BCBS Minnesota (MSP)	Blue	\$276	\$403	46.1%
Percentage Change in Region's Lowest-Premium Option				23.9%
Rating Area Average - Change in Insurer Premium ¹				31.1%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				24.4%
State Average Change in Insurer Premiums (Select Rating Areas)¹				36.3%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

Table 15. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Nevada

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Las Vegas				
Healthplan of Nevada ³	National	\$237	\$256	8.2%
Anthem	Blue	\$260	\$268	2.8%
Prominence	Provider	N/A	\$280	N/A
Anthem MSP	Blue	\$288	\$330	14.7%
Nevada Health Co-op	Co-op	\$243	N/A	N/A
Assurant	National	\$323	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				8.2%
Rating Area Average - Change in Insurer Premium ¹				8.6%
Rating Area 3: Carson City				
Anthem	Blue	\$342	\$343	0.2%
Prominence	Provider	\$385	\$381	-1.0%
Anthem MSP	Blue	\$378	\$424	12.2%
Nevada Health Co-op	Co-op	\$327	N/A	N/A
Assurant	National	\$355	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				4.9%
Rating Area Average - Change in Insurer Premium ¹				3.8%
Rating Area 2: Reno				
Healthplan of Nevada ³	National	\$308	\$333	8.2%
Anthem	Blue	\$321	\$298	-7.3%
Prominence	Provider	\$331	\$327	-1.4%
Anthem MSP	Blue	\$355	\$380	7.1%
Nevada Health Co-op	Co-op	\$355	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-3.1%
Rating Area Average - Change in Insurer Premium ¹				1.7%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				6.0%
State Average Change in Insurer Premiums (Select Rating Areas)¹				6.7%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

3. Healthplan of Nevada is owned by UnitedHealthcare.

Table 16. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, New Hampshire

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Entire State				
Minuteman Health Inc.	Co-op	\$238	\$260	9.3%
Anthem	Blue	\$284	\$290	2.3%
Harvard Pilgrim Healthcare	Regional	\$295	\$289	-2.1%
Anthem MSP	Blue	\$296	\$290	-1.9%
Community Health Options	Co-op	\$305	\$356	16.5%
Assurant Health	National	\$474	N/A	N/A
Percentage Change in Lowest-Cost Option ¹				9.3%
Average Change in State ¹				4.8%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

reduced premiums in 2016 (20.7 and 14.0 percent, respectively), giving them relatively low premiums, but they remained above Humana's.

Minnesota

Minnesota had very low premiums in 2015, but experienced very large increases between 2015 and 2016 in the three regions studied (Minneapolis, St. Paul; Rochester; selected rural counties) (Table 14). The state average increase in insurer premiums across the three rating regions was 36.3 percent. The state average change in the lowest-premium option was 24.4 percent. The large increases in premiums were driven by substantial increases by several different insurers, but principally by Blue Cross Blue Shield. In 2014, PreferredOne offered the lowest-premium plans in these areas and appeared to receive a large share of high-risk enrollees that had previously been covered through the state's high-risk pool. In 2015, PreferredOne left the marketplace, and many of these costly enrollees shifted to Blue Cross Blue Shield. Blue Cross Blue Shield responded in 2016 with rate increases close to 60 percent, essentially ceding the market to others. The multistate plan offered by Blue Cross Blue Shield Minnesota had similarly large increases.

The lowest-cost plan in 2015 in the Minneapolis, St. Paul region was Health Partners, a local commercial insurer; Ucare, a local Medicaid insurer, was a closely priced competitor. In 2016 Ucare became the lowest-cost plan, despite a premium increase of

24.4 percent in 2016 relative to 2015. In the Rochester region, a much higher-cost market than Minneapolis, Medica, a local Medicaid plan, remained the lowest-cost plan, despite a 16.8 percent increase. In 2015, BCBS Minnesota had been priced almost the same as Medica, but the extremely large 2016 BCBS premium increase created a large pricing wedge between them. Essentially, Medica is the lowest-cost plan because the only alternatives are Blue Cross Blue Shield plans. In our selected rural region, a set of counties north of Minneapolis, UCare offered the lowest-cost plan in 2015 and 2016, despite a 23.9 percent premium increase this year. Medica increased its premium price by only 2.8 percent in 2016, making it a close price competitor to UCare. Thus, Minnesota experienced a major shake-up in 2016 with Blue Cross Blue Shield pricing itself to the margins of the market. The result is that Medicaid plans in Minnesota provide the lowest-cost options in each market studied in the state.

Nevada

Nevada's average increase in insurer premiums across the Las Vegas, Carson City, and Reno rating regions was 6.7 percent in 2016 (Table 15). The state average change in lowest-premium option was 6.0 percent. In Las Vegas, the Health Plan of Nevada, a subsidiary of United Healthcare, offered the lowest-cost silver plans in both years, despite an 8.2 percent premium increase in 2016. Anthem increased its lowest-cost silver plan premium by only 2.8 percent, but still has somewhat higher premiums.

Table 17. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, New Mexico

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Albuquerque				
Christus Health Plan	Medicaid	\$303	N/A	N/A
Molina	Medicaid	\$186	\$190	2.3%
New Mexico Health Connections	Co-op	\$178	\$186	4.5%
Blue Cross Blue Shield of New Mexico	Blue	\$167	N/A	N/A
Presbyterian Health Plan	Provider	\$227	\$245	7.8%
Percentage Change in Region's Lowest-Premium Option				11.2%
Rating Area Average - Change in Insurer Premium ¹				3.4%
Rating Area 5: Selected Rural Areas				
Christus Health Plan	Medicaid	N/A	\$201	N/A
Molina	Medicaid	\$259	\$252	-2.7%
New Mexico Health Connections	Co-op	\$243	\$245	1.0%
Presbyterian Health Plan	Provider	\$292	\$289	-0.8%
Blue Cross Blue Shield of New Mexico	Blue	\$297	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-17.4%
Rating Area Average - Change in Insurer Premium ¹				-0.8%
Rating Area 3: Las Cruces				
Christus Health Plan	Medicaid	N/A	\$292	N/A
Molina	Medicaid	\$210	\$204	-2.7%
New Mexico Health Connections	Co-op	\$213	\$203	-4.6%
Presbyterian Health Plan	Provider	\$257	\$277	8.1%
Blue Cross Blue Shield of New Mexico	Blue	\$218	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-3.2%
Rating Area Average - Change in Insurer Premium ¹				0.3%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				-3.1%
State Average Change in Insurer Premiums (Select Rating Areas)¹				1.2%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

The region lost two insurers from the marketplace this year, the Nevada Health Co-Op (which ceased operations for 2016) and Assurant, a national insurer, but gained Prominence, a provider-sponsored insurer.¹⁵

In Carson City, the Nevada Health Co-op offered the lowest-silver premium in 2015, but given its 2016 exit, the lowest-cost insurer in the region in 2016 is Anthem. The exit of the co-op

resulted in only a 4.9 percent increase in the region's lowest-premium option since Anthem kept its premium virtually unchanged in 2016. Assurant left this market in 2016 as well. In Reno, the Health Plan of Nevada was the lowest-cost insurer in 2015, but increased its premiums by 8.2 percent in 2016, while Anthem reduced its by 7.3 percent, making it the lowest-cost insurer in the region.

Table 18. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, New York

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 4: New York City				
Metro Plus	Medicaid	\$383	\$422	10.3%
Health Republic Insurance	Co-op	\$380	N/A	N/A
Oscar	Regional	\$394	\$430	9.0%
Emblem	Regional	\$407	\$463	13.7%
New York Fidelis	Medicaid	\$384	\$408	6.4%
Empire BCBS	Blue	\$448	\$513	14.5%
Northshore LIJ	Provider	\$394	\$368	-6.6%
Healthfirst	Medicaid	\$387	\$435	12.3%
Affinity	Medicaid	\$372	\$395	6.3%
United Healthcare of NY	National	\$545	\$667	22.4%
Wellcare HMO	Medicaid	\$472	\$486	3.0%
MVP Health	Regional	\$417	\$444	6.4%
Percentage Change in Region's Lowest-Premium Option				-1.0%
Rating Area Average - Change in Insurer Premium ¹				8.9%
Rating Area 8: Long Island				
Metro Plus	Medicaid	\$383	N/A	N/A
Health Republic Insurance	Co-op	\$380	N/A	N/A
Affinity	Medicaid	\$372	\$403	8.4%
Emblem HIP	Regional	\$407	\$527	29.4%
Empire HMO	Blue	\$448	\$472	5.3%
Fidelis	Medicaid	\$384	\$395	3.0%
Health First	Medicaid	\$387	\$435	12.3%
North Shore LIJ	Provider	\$394	\$385	-2.3%
Oscar	Regional	\$394	\$430	9.0%
United Healthcare of NY	National	\$545	\$667	22.4%
Percentage Change in Region's Lowest-Premium Option				3.6%
Rating Area Average - Change in Insurer Premium ¹				10.9%

Rating Area 2: Buffalo				
New York Fidelis	Medicaid	\$337	\$353	4.7%
Univera (An Excellus Company)	Blue	\$474	\$514	8.3%
Health Republic Insurance	Co-op	\$342	\$N/A	N/A
IHBC	Provider	\$428	\$374	-12.7%
MVP Health	Regional	\$365	\$389	6.5%
Health Now	Regional	N/A	\$380	N/A
Blue Cross Blue Shield of Western NY	Blue	\$342	\$352	2.9%
Percentage Change in Region's Lowest-Premium Option				4.3%
Rating Area Average - Change in Insurer Premium ¹				2.0%
Rating Area 6: Syracuse				
CDPHP	Provider	N/A	\$512	N/A
Emblem HIP	Regional	N/A	\$556	N/A
Health Republic Insurance	Co-op	Missing	N/A	N/A
Excellus	Blue	\$459	\$501	9.2%
Fidelis (NY State Catholic HP)	Medicaid	\$361	\$378	4.7%
Health Now	Regional	N/A	\$514	N/A
MVP HP	Regional	\$459	\$489	6.4%
Percentage Change in Region's Lowest-Premium Option				4.7%
Rating Area Average - Change in Insurer Premium ¹				6.8%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				0.8%
State Average Change in Insurer Premiums (Select Rating Areas)¹				8.4%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

New Hampshire

New Hampshire's state average increase in insurer premiums was 4.8 percent in 2016, and the state average change in lowest-premium option increased by 9.3 percent (Table 16). New Hampshire had only one insurer selling coverage in the marketplace in 2014—Anthem Blue Cross Blue Shield—and there was considerable controversy over its limited provider network.¹⁶ In 2015, two co-ops, Minuteman Health Inc. and Community Health Options, entered the market, as did Harvard Pilgrim. Minuteman Health plan offered the lowest-cost silver option in 2015 and remains the lowest-cost option in 2016, despite a 9.3 percent premium increase. Anthem Blue Cross Blue Shield and Harvard Pilgrim remained somewhat competitive, though their 2016 premiums are more than 10 percent above those of Minuteman.

New Mexico

Premiums are, on average, extremely low in New Mexico by national standards (Table 17). The biggest change to the New Mexico marketplace in 2016 is the withdrawal from participation by Blue Cross Blue Shield of New Mexico. Although it had reasonably close price competitors in New Mexico Health Connections, a co-op, and Molina, a national Medicaid plan, Blue Cross Blue Shield was the lowest-cost insurer in Albuquerque in 2015. In 2016, the former two insurers will offer the lowest-cost silver plans in Albuquerque. Although these two insurers increased premiums modestly this year, the exit of Blue Cross Blue Shield in this market means that the cost of the region's lowest-premium option increased by 11.2 percent, although premiums are still low by national standards. For those insurers remaining in the Albuquerque market, the average insurer premium increased only 3.4 percent.

In the selected rural areas in 2015, the state's co-op offered the lowest-premium silver option. Despite a small 1.0 percent premium increase, the co-op's low-cost position was overtaken in 2016 by Christus Health Plan, a local Medicaid plan, which newly entered the market in 2016 with a much lower premium than any of those offered in 2015. Because of the entrance of Christus in the rural counties, the region's lowest-premium option fell by 17.4 percent.

In Las Cruces, as in Albuquerque, the 2016 lowest-cost plans are offered by Molina and New Mexico Health Connections. Both reduced premiums in 2016 leading to almost identical premiums. As a result, the cost of the region's lowest-premium option fell by 3.2 percent, and there was almost no change in the average insurer premium. Thus, these New Mexico markets adjusted to the exit of Blue Cross Blue Shield without large premium increases due to the low premiums of Molina Health Care and New Mexico Health Connections.

New York

New York's average insurer premium increased 8.4 percent in 2016 across the New York City, Long Island, Buffalo, and Syracuse rating regions (Table 18). However, the state average increase in the lowest-premium option was only 0.8 percent. The discrepancy is primarily due to large 2016 premium increases among insurers that were already more expensive in 2015.

In New York City the lowest-cost silver plan in 2015 was offered by Affinity, a Medicaid plan, with close competition by Health Republic (a co-op), Metroplus, and Fidelis (the latter two both Medicaid insurers). In 2016, Northshore LIJ, a provider sponsored insurer, offers the lowest silver premium, \$368, a reduction of 6.6 percent from its 2015 premium. As a result the premium for the rating region's lowest-premium option declined 1.0 percent. Northshore LIJ's closest competitors in 2016 are Affinity and Fidelis. The larger commercial insurers, such as Emblem, Empire Blue Cross Blue Shield, and United HealthCare have higher premiums and experienced significantly larger increases. Health Republic closed its doors in New York in late 2015 after experiencing large financial losses.

On Long Island, the lowest-cost insurer in 2015 was Affinity, followed closely by Health Republic, Metro Plus, Fidelis, and Health First. In 2016, two of these insurers, Health Republic and Metro Plus, left the marketplace. Northshore LIJ, not far behind the five most competitive insurers in 2015, lowered its premium in 2016 by 2.3 percent, taking the lowest-cost insurer position this year. Fidelis and Affinity remain competitive in 2016, however, with modestly higher premiums than Northshore LIJ. The result of these changes is that the rating region's average increase in insurer premium was 10.9 percent, but the region's lowest-premium option increased by only 3.6 percent. On Long Island, as in New York City, Emblem, Empire, and United HealthCare continue to have substantially higher premiums and relatively large rate increases.

Table 19. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Oregon

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Portland				
Moda Health	Regional	\$213	\$274	28.4%
Providence Health Plan	Provider	\$196	\$226	15.2%
LifeWise Health Plan of Oregon	Blue	\$227	\$315	38.9%
PacificSource Health Plans	Regional	\$272	\$363	33.5%
Kaiser Permanente	Provider	\$245	\$237	-3.3%
Zoom Health Plan	Regional	N/A	\$233	N/A
Oregon's Health Co-op	Co-op	\$231	\$234	1.2%
Health Republic Insurance	Co-op	\$249	N/A	N/A
BridgeSpan	Blue	\$238	\$274	14.8%
Percentage Change in Region's Lowest-Premium Option				15.2%
Rating Area Average - Change in Insurer Premium ¹				18.0%

Rating Area 6: Selected Rural Counties				
Moda Health	Regional	\$207	\$301	45.2%
Health Republic Insurance	Co-op	\$272	N/A	N/A
LifeWise Health Plan of Oregon	Blue	\$232	\$323	39.4%
Kaiser Permanente	Provider	N/A	\$237	N/A
Providence Health Plan	Provider	N/A	\$260	N/A
PacificSource Health Plans	Regional	\$302	\$385	27.3%
Oregon's Health Co-op	Co-op	\$302	\$267	-11.3%
BridgeSpan	Blue	\$300	\$352	17.3%
Percentage Change in Region's Lowest-Premium Option				14.3%
Rating Area Average - Change in Insurer Premium ¹				23.6%
Rating Area 3: Salem				
Moda Health	Regional	\$221	\$278	25.9%
Health Republic Insurance	Co-op	\$276	N/A	N/A
PacificSource Health Plans	Regional	\$272	\$374	37.5%
LifeWise Health Plan of Oregon	Blue	\$232	\$323	39.5%
Kaiser Permanente	Provider	\$245	\$237	-3.3%
Providence Health Plan	Provider	\$202	\$231	14.0%
Oregon's Health Co-op	Co-op	\$261	\$234	-10.2%
ATRIO Health Plans	Regional	\$246	\$278	13.0%
BridgeSpan	Blue	\$266	\$312	17.3%
Percentage Change in Region's Lowest-Premium Option				14.0%
Rating Area Average - Change in Insurer Premium ¹				16.7%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				14.9%
State Average Change in Insurer Premiums (Select Rating Areas)¹				18.7%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

In Buffalo, in both 2015 and 2016, Fidelis and Blue Cross Blue Shield of Western New York have been tight competitors, increasing premiums quite modestly in 2016. As a result, the region's lowest-premium option increased by only 4.3 percent. In Syracuse, a higher-cost market than the other three, Fidelis was and remains the lowest-cost insurer; the premiums for their lowest-cost plan increased by 4.7 percent.

Oregon

Oregon had very low premiums, on average, in 2015, but experienced large increases in 2016 (Table 19). The state average increase in insurer premiums across the three rating regions studied (Portland; Selected rural counties; and Salem)

was 18.7 percent. The state average increase in the lowest-premium option was 14.9 percent. Several important insurers including Moda Health, LifeWise Health Plan of Oregon (a Blue Cross insurer), PacificSource, and BridgeSpan Health Plan, (another Blue Cross Plan), had very large increases. Only Oregon's Health CO-OP and Kaiser Permanente either decreased premiums or increased them only slightly in these rating areas. Health Republic, a co-op, left the Oregon marketplace at the end of 2015. A regional insurer, Zoom Health Plan, entered the Portland marketplace region in 2016, while Kaiser Permanente and Providence Health Plan joined the rural region studied.

Providence Health Plan, a provider-sponsored insurer, remained the lowest-cost insurer in the Portland region despite a 15.2 percent increase in premiums. Three other insurers in this region have 2016 premiums which are close to those of Providence e.g. Kaiser Permanente, Zoom Health Plan (a 2016 entrant), and the co-op, but the others had large premium increases this year. The Salem market changed similarly, with several of the same insurers having very large increases: Moda Health, PacificSource, LifeWise Health Plan, and BridgeSpan. Kaiser Permanente and the co-op reduced premiums. The Providence Health Plan was the lowest-cost option in both 2015 and 2016, followed closely by Kaiser in 2016. In our selected rural areas, Moda Health was the lowest-cost insurer in 2015, but increased the premium of its lowest-cost silver plan by 45.2 percent in 2016. Kaiser Permanente and Providence entered this rating region's market in 2016 with competitive premiums, becoming the lowest-cost insurers. On balance, rate increases in Oregon were quite large in 2016, but this in part reflects very low premiums by national standards in 2015 and disguises small increases and decreases by two competitors.

Pennsylvania

The state average increase in insurer premiums in Pennsylvania was 7.3 percent across the four rating regions studied – Philadelphia, Pittsburgh, Lancaster, and Wilkes Barre/Scranton (Table 20). The state average change in lowest-premium option was 9.6 percent. 2016 brought large premium increases in all but the Philadelphia market, but these increases seem in part to be related to quite low premiums in 2015.

In Philadelphia, the lowest-cost insurer in 2015 was United HealthCare, followed by Aetna and Keystone Health Plan, a Blue Cross insurer. In 2016, Keystone and United have nearly identical premiums, followed closely by Aetna. Each insurer in this market either increased premiums modestly or decreased them, thus the rating region average increase in insurer premium was only 0.3 percent. The increase in the rating region's lowest-premium option was 3.4 percent.

In Pittsburgh, premiums were considerably lower than in Philadelphia in 2015. The lowest premiums in 2015 were offered

Table 20. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Pennsylvania

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 8: Philadelphia				
QCC Life Insurance (MSP) ³	Blue	\$373	\$389	4.5%
Aetna ⁴	National	\$287	\$285	-0.7%
Keystone Health Plan ⁵	Blue	\$294	\$276	-6.1%
UnitedHealthcare	National	\$267	\$276	3.5%
Assurant	National	\$410	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				3.4%
Rating Area Average - Change in Insurer Premium ¹				0.3%
Rating Area 4: Pittsburgh				
HHIC West (MSP)	Blue	\$271	\$333	22.9%
Highmark	Blue	\$179	\$211	17.3%
UPMC	Provider	\$170	\$187	9.9%
Aetna ⁴	National	\$269	\$267	-0.9%
UnitedHealthcare	National	\$204	\$206	0.7%
Assurant	National	\$306	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				9.9%
Rating Area Average - Change in Insurer Premium ¹				12.7%

Rating Area 7: Reading/Lancaster				
Capital Advantage Assurance Co ⁶	Blue	\$374	\$339	-9.1%
Geisinger Health Plan	Provider	\$289	\$369	28.0%
HHIC Central (MSP)	Blue	\$291	\$363	25.0%
Highmark	Blue	\$225	\$302	34.5%
Aetna ⁴	National	\$317	\$319	0.5%
Keystone Health Plan ⁵	Blue	\$271	\$253	-6.5%
Assurant	National	\$350	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				12.7%
Rating Area Average - Change in Insurer Premium ¹				9.3%
Rating Area 3: Scranton/Wilkes Barre				
First Priority Life Insurance ⁷	Blue	\$224	\$288	28.7%
Geisinger Health Plan	Provider	\$237	\$281	18.6%
Aetna ⁴	National	\$325	\$339	4.1%
Assurant	National	\$393	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				25.9%
Rating Area Average - Change in Insurer Premium ¹				17.1%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				9.6%
State Average Change in Insurer Premiums (Select Rating Areas)¹				7.3%

1. Average across selected rating areas is weighted by population in the rating regions studied.
2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.
3. QCC life insurance is a subsidiary of Independence Blue Cross.
4. Aetna did not participate last year, but Health America Pennsylvania, a subsidiary of Aetna/Coventry did.
5. Keystone is owned by Independence Blue Cross.
6. Capital Advantage is a product line of Capital Blue Cross.
7. First Priority is a product line of Blue Cross of Northeastern PA.

Table 21. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Rhode Island

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Entire State				
Blue Cross Blue Shield of Rhode Island	Blue	\$302	\$259	-14.3%
Neighborhood Health Plan	Provider	\$244	\$259	6.0%
UnitedHealthcare	National	\$284	\$273	-4.0%
Percentage Change in Lowest-Cost Option				6.0%
Average Change in State ¹				-4.1%

1. Average across selected rating areas is weighted by population in the rating regions studied.
2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

by the University of Pittsburgh Medical Center (UPMC), a provider-sponsored insurer, and Highmark, a Blue Cross insurer. In 2016, UPMC's lowest-cost silver plan premium increased by 9.9 percent and remained the lowest-cost silver plan in the market. Highmark and United HealthCare continue to have reasonably competitive offerings as well, even with Highmark increasing its lowest-price silver premium by over 17 percent.

In the Reading/Lancaster region, the lowest-cost insurer switched from Highmark in 2015 to Keystone in 2016, both Blues insurers; the resulting increase in the region's lowest-premium option was 12.7 percent. The Geisinger Health Plan, the HHIC Central MSP plan, and Highmark all increased their premiums by relatively large amounts (25 percent or more). In the Scranton/Wilkes Barre region, Geisinger became the lowest-cost insurer in 2016 despite an 18.6 percent premium increase. The increase in the lowest-premium option there was 25.9 percent, owing to a 28.7 percent premium increase by First Priority Life Insurance, a Blue Cross Plan, and seemingly reflecting a catch-up from very low 2015 premiums in the region.

Rhode Island

By New England standards, premiums are relatively low in Rhode Island, a state with a single premium rating region (Table 21). The state average premium decreased by -4.1 percent in 2016; however, the average change in the lowest-premium option was 6.0 percent. In 2015, the lowest-cost insurer was the Neighborhood Health Plan, with Blue Cross Blue Shield of Rhode Island and United Healthcare premiums being substantially higher. In 2016, Blue Cross Blue Shield of Rhode Island and Neighborhood Health Plan offer identical premiums with the former having reduced its 2015 premiums by 14.3 percent, and the latter increasing its by 6.0 percent. United Healthcare also reduced premiums this year and is now competitive with the other two.

Virginia

Virginia has fairly competitive markets in each of the rating regions we examined: the Washington, D.C. suburbs, Virginia Beach/Norfolk, and Richmond (Table 22). The state average increase in insurer premiums was 5.2 percent in 2016. The state average increase in the lowest-premium option was 4.6 percent.

In the Washington, D.C. suburbs, there is strong competition between Anthem HealthKeepers, a Blue Cross HMO insurer; Innovation Health Insurance Company, a provider-sponsored insurer organized by the INOVA hospital system; Kaiser Permanente; and United HealthCare, a new entrant to the region in 2016. Kaiser Permanente had the lowest silver premium in 2015, but Innovation's premium was close to it.

In 2016, Innovation reduced its premium by 4.1 percent and became the lowest-priced insurer in 2016, despite only a modest premium increase for Kaiser. Close 2016 competitors to Innovation in this region are Kaiser Permanente, United HealthCare, and Anthem Health Keepers. The region's lowest-premium option fell by 0.9 percent in 2016.

In Virginia Beach/Norfolk as well, the lowest-cost insurer in 2015 was Kaiser Permanente, but here followed closely by Optima Health, a provider sponsored plan that is part of the Sentara Health System, and Anthem HealthKeepers. Kaiser Permanente dropped out of the Virginia Beach/Norfolk market in 2016, however, leaving HealthKeepers and Optima Health as the lowest-cost insurers in 2016. Due to the exit of Kaiser Permanente, the region's lowest-premium option increased in price by 10.2 percent.

In the 2015 Richmond market, the lowest-cost plan was offered by CoventryOne, followed by Anthem HealthKeepers and Kaiser Permanente. CoventryOne, now part of Aetna, remains the lowest-cost insurer in the region in 2016, despite increasing its premiums by 9.2 percent. CoventryOne's 2016 premiums are followed closely by those of Anthem Health Keepers, Kaiser Permanente, and United HealthCare.

Washington

Washington also has a highly competitive market with many insurers and relatively low premiums. The state average increase in insurer premiums across the three rating regions studied (Seattle; selected rural counties; and Spokane) was -0.8 percent in 2016 (Table 23). The state average lowest-premium option decreased by 4.4 percent. Competition in the Washington nongroup insurance market is increasingly driven by Medicaid plans.

In Seattle, the lowest-cost plan in 2015 was offered by Coordinated Care, a subsidiary of Centene, a national Medicaid chain. In 2016, Coordinated Care reduced its lowest-cost silver plan premium by 4.5 percent, keeping it the lowest-cost insurer. Group Health, a major HMO in the state of Washington, reduced its premium by 14.3 percent and Molina Health Care, another large national Medicaid chain, reduced its premium by 15.3 percent; both remained slightly more expensive than Coordinated Care. Because of aggressive pricing by these insurers, the rating region's lowest-premium option decreased 4.5 percent, and the region's average insurer premium fell 2.0 percent from the previous year.

In 14 rural counties in the state, Coordinated Care offered the lowest-premium option in 2015 and did so again in 2016 following a 4.1 percent price decrease. Molina reduced its lowest-cost silver premium by 19.1 percent and is now a much

Table 22. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Virginia

Insurer Name	Insurer Type	2015 Lowest-Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 10: Washington D.C. Suburbs				
Anthem (MSP)	Blue	\$309	\$323	4.4%
Anthem HealthKeepers	Blue	\$292	\$303	3.8%
CareFirst Blue Choice, Inc.	Blue	\$323	\$356	10.1%
CareFirst (MSP)	Blue	N/A	\$413	N/A
Innovation Health Insurance Company	Provider	\$282	\$270	-4.1%
Kaiser Permanente	Provider	\$273	\$284	3.9%
UnitedHealthcare	National	N/A	\$288	N/A
Optima Health	Provider	\$355	\$389	9.4%
Percentage Change in Region's Lowest-Premium Option				-0.9%
Rating Area Average - Change in Insurer Premium ¹				4.6%
Rating Area 9: Virginia Beach, Norfolk				
Aetna	National	\$305	\$333	9.3%
Anthem (MSP)	Blue	\$304	\$321	5.4%
Anthem HealthKeepers	Blue	\$287	\$301	4.8%
Optima Health	Provider	\$281	\$308	9.4%
Kaiser Permanente	Provider	\$273	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				10.2%
Rating Area Average - Change in Insurer Premium ¹				7.2%
Rating Area 7: Richmond				
Aetna	National	\$312	\$335	7.4%
Anthem (MSP)	Blue	\$280	\$295	5.4%
Anthem HealthKeepers	Blue	\$264	\$276	4.7%
CoventryOne	National	\$241	\$264	9.2%
Kaiser Permanente	Provider	\$273	\$284	3.9%
Optima Health	Provider	\$372	\$382	2.5%
UnitedHealthcare	National	N/A	\$280	N/A
Piedmont Community Health Care	Provider	\$324	\$305	-5.6%
Percentage Change in Region's Lowest-Premium Option				9.2%
Rating Area Average - Change in Insurer Premium ¹				3.9%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				4.6%
State Average Change in Insurer Premiums (Select Rating Areas)¹				5.2%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

closer competitor for Coordinated Care. In contrast, Community Health Plans and BridgeSpan increased their premiums significantly in 2016.

In Spokane, Coordinated Care offered the lowest-cost option in 2015 and again in 2016 after a 4.3 percent reduction in premiums. Molina decreased its Spokane premium significantly (by 17.0 percent), just as it did in the other two regions in Washington, bringing its 2016 premium only slightly above that

of Coordinated Care. Thus in Washington, premiums remain low, on average, due to aggressive pricing by the national Medicaid insurers. The Blues insurers- Premera, LifeWise, Regence and BridgeSpan, have premiums that are substantially above the two Medicaid insurers, as well as above Group Health. United HealthCare entered these Washington markets, but not with premiums that are competitive with Coordinated Care and Molina.

Table 23. Lowest-Cost Silver Plan Premiums for a 40-Year-Old, by Insurer, Selected Rating Areas, 2015 and 2016, Washington

Insurer Name	Insurer Type	2015 Lowest- Cost Silver Plan Premium	2016 Lowest-Cost Silver Plan Premium	Percentage Change 2015-2016
Rating Area 1: Seattle/Bellevue				
Coordinated Care	Medicaid	\$235	\$224	-4.5%
Group Health	Regional	\$281	\$241	-14.3%
Premera	Blue	\$291	\$315	8.3%
LifeWise	Blue	\$291	\$298	2.5%
BridgeSpan	Blue	\$254	\$282	11.1%
Molina HealthCare	Medicaid	\$277	\$234	-15.3%
Community Health Plans	Regional	\$343	N/A	N/A
Moda	Regional	\$284	N/A	N/A
Regence	Blue	N/A	\$279	N/A
UnitedHealthcare	National	N/A	\$302	N/A
Percentage Change in Region's Lowest-Premium Option				-4.5%
Rating Area Average - Change in Insurer Premium ¹				-2.0%
Rating Area 5: Selected Rural Counties				
Coordinated Care	Medicaid	\$251	\$240	-4.1%
Group Health	Regional	\$282	\$266	-5.7%
Premera	Blue	\$291	\$315	8.3%
LifeWise	Blue	\$291	\$298	2.5%
Community Health Plans	Regional	\$360	\$401	11.4%
BridgeSpan	Blue	\$263	\$301	14.2%
Molina	Medicaid	\$304	\$246	-19.1%
Moda	Regional	\$284	N/A	N/A
Health Alliance	Regional	N/A	\$329	N/A
UnitedHealthcare	National	N/A	\$306	N/A
Percentage Change in Region's Lowest-Premium Option				-4.1%
Rating Area Average - Change in Insurer Premium ¹				1.1%

Rating Area 4: Spokane				
Coordinated Care	Medicaid	\$219	\$209	-4.3%
Premera	Blue	\$267	\$290	8.3%
LifeWise	Blue	\$267	\$274	2.5%
Group Health	Regional	\$269	\$257	-4.1%
BridgeSpan	Blue	\$255	\$277	8.6%
Community Health Plans	Regional	\$332	\$363	9.4%
Molina	Medicaid	\$265	\$220	-17.0%
UnitedHealthcare	National	N/A	\$270	N/A
Moda	Regional	\$284	N/A	N/A
Percentage Change in Region's Lowest-Premium Option				-4.3%
Rating Area Average - Change in Insurer Premium ¹				0.5%
State Average Change in Lowest-Premium Option (Select Rating Areas)¹				-4.4%
State Average Change in Insurer Premiums (Select Rating Areas)¹				-0.8%

1. Average across selected rating areas is weighted by population in the rating regions studied.

2. N/A stands for not applicable, as the insurer did offer marketplace coverage in one year in that rating region but not in the other.

CONCLUSION

Early this summer, forecasts of marketplace premium hikes of 30 percent or more caused widespread alarm. In setting 2016 premiums, insurers had actual 2014 marketplace enrollee claims experience on which to draw, and many believed that premiums would grow substantially as a result. It turns out that these concerns were exaggerated.

In this paper we reviewed premium changes for the lowest-cost silver premium offered by each insurer participating in the ACA marketplaces in 20 states and the District of Columbia. We included states of varying size and with considerable geographic diversity. We include at least three rating regions in each state, except for those states with a single statewide rating region.

We find that between 2015 and 2016, the average percentage change in lowest-cost silver premiums offered across all insurers studied in 63 rating regions is 5.6 percent. The lowest-premium silver plan available in each of these rating regions increased an average of 4.3 percent over the same period. This compares to our findings in a similar paper done last year, where we estimated the average change in the lowest-cost silver premium available in each rating region of the country to be 2.9 percent. Thus premium growth in the nation's most competitive plans appears to have increased somewhat, but by far less than many of the dire projections reported in the media.

As in 2015, however, there is significant variation across states and within states across rating regions. In the 20 states plus the District of Columbia, we find that premiums for the lowest-cost silver plans available in the marketplace fell in seven states (including DC), increased by less than 5 percent in five states, increased by between 5 and 10 percent in five states, and increased by double digits in four states. Among rating regions, 23 regions had reductions in the lowest-cost silver plan premium, 14 had increases of 5 percent or less, 10 had increases of between 5 and 10, percent, and 16 had double digit increases. In 35 of the 63 regions, individuals would have to change insurers to remain enrolled in the lowest-premium plan available.

Large premium increases in the lowest-cost silver plans were heavily concentrated in four states (Colorado, Iowa, Minnesota, and Oregon); each of these faced exceptional circumstances. In each, the 2015 lowest-cost silver plan premiums were below the national average. In Colorado, Colorado Health Op, a co-op that had offered the lowest-cost silver premium in 2015 but suffered significant financial losses, was shut down by the Colorado Division of Insurance. While there were significant increases in premiums by several of the insurers in Colorado, it was the exit of the co-op that led to the very large increase in the lowest-cost option available. In Iowa, 2015 silver premiums

were also low by national standards. The markets in the three Iowa regions we examined were dominated by a single insurer until 2016, following the liquidation of the state's co-op in 2015 by the state department of insurance.¹⁷ The state's largest nongroup insurer has yet to participate in the marketplace, although it will participate in 2017 once the grandmothers plans expire. In Minnesota, the 2015 lowest-cost insurer, Blue Cross Blue Shield of Minnesota, increased its premiums considerably in 2016. Presumably this is a result of the 2015 marketplace exit of PreferredOne, a popular 2014 insurer that had suffered large losses after enrolling many Minnesotans previously enrolled in the state's high-risk pool. Without Preferred One, many of these high-cost enrollees joined Blue Cross Blue Shield, causing it financial problems and resulting in large 2016 rate increases. Finally, in Oregon there was a large increase in premiums by the lowest-cost plan in 2015. Oregon premiums were extremely low by national standards during the first two years of the coverage reforms, thus a significant increase is not terribly surprising.

In general, marketplaces are remaining extremely competitive. The incentive to offer the lowest-cost silver plan is strong, due to premium tax credits being tied to the second-lowest-cost silver premium in each rating region. As a result, insurers tend to price aggressively. But the types of insurers that drive premiums down varies by state. Blue Cross plans, including Anthem, have been aggressive in pricing in the District of Columbia, Indiana, Nevada, Pennsylvania, Rhode Island, Virginia, and Florida. The Blue Cross insurers studied have frequently offered a more limited network plan with lower premiums. But in some states, presumably because of a desire to avoid the losses incurred in 2015, Blues plans in Arkansas, Maryland, and Minnesota had extremely large premium increases and were no longer among the lowest-cost silver offerings. In New Mexico, the Blue Cross plan simply exited the market. In several other states (e.g. Washington, New York, Colorado, and Oregon), Blue Cross Blue Shield premiums were well above the lowest-cost competitors.

Medicaid plans became increasingly price competitive in many markets over the initial years of reform. Molina, a national Medicaid chain, priced aggressively in parts of California, Michigan, Washington, and Florida. Ambetter, a product of Centene Corporation, is a strong competitor in Indiana and Florida. Coordinated Care, also a product of Centene, offers

the lowest-premium silver plan in Washington. A number of local plans led by Affinity and Fidelis are the lowest-cost silver plans in New York City, and Fidelis provides one of the lowest-cost silver plans throughout New York. Local plans, UCare and Medica, offer the lowest-cost silver plans in Minnesota, following the large premium increase by Blue Cross Blue Shield in 2016. Neighborhood Health Plan is one of the two lowest-cost plans in Rhode Island (offering the same premium as Blue Cross Blue Shield of Rhode Island).

Provider-sponsored plans are also highly competitive in some markets. The Innovation Health Insurance Plan, a product of the INOVA Hospital System, offers the lowest-premium silver plan in Northern Virginia. Optima Health Plan, a product of the Sentara Hospital System, provides the lowest-cost silver plan in the Norfolk region. The Providence Health System in Oregon is among the lowest-cost offerings throughout the state of Oregon. Priority Health offers one of the more competitive plans in Michigan. NorthShore LLI's plans are among the lowest premiums in New York City and Long Island. Kaiser Permanente is among the lowest-cost insurers in California, Maryland, Oregon, Colorado, the District of Columbia and some markets in Virginia.

National plans entered more markets and became more competitive in 2016. Aetna now offers the lowest-premium plans in two markets in Maine. Coventry, a subsidiary of Aetna, is very competitive in Richmond, Virginia and dominates the Iowa marketplace. Humana offers one of the lowest-cost plans in Michigan and Colorado. United Healthcare is competitive in some markets in Pennsylvania, Maryland, and Rhode Island.

Co-Ops also played an important role in some states, although they are failing at a high rate. While co-ops failed in Oregon, New York and Colorado, they remain very competitive. In New Hampshire, New Mexico, and Maryland. While one co-op in Oregon failed, the other remained very competitive.

We also found that the insurer offering the lowest-premium plan frequently changes from year to year. And while this fluctuation may well decrease as markets reach their equilibrium level of enrollment over the next few years, at least for now, consistently taking advantage of the lowest premiums available requires many consumers to shop carefully and switch plans.

ENDNOTES

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9. The 2015 national average monthly premium can be found in: <http://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000149-Marketplace-Premium-Changes-Throughout-the-United-States-2014-2015.pdf>
10. To the extent that individuals enrolling in the first years of the new nongroup plans, which do not price discriminate based on health status, were those most in need of coverage and expecting higher need for medical services, those enrolling in later years (sometimes as an action to avoiding the higher individual mandate penalties) may be in better health than the earlier nongroup insurance enrollees.
11. In some instances, publicly available filings do not include complete rate tables; however, the premium rates can be calculated from the consumer adjusted index rate and applying the provided rate factors (geographic rating area, age rating factor, and tobacco usage factor).
12. In Medicaid expansion states, the lower income limit is 138 percent of the FPL.
13. Holahan J, Blumberg LJ, Wengle E, Hill I, Peters R, and Solleveld P. "Factors That Contributed to Low Marketplace Enrollment in Five States in 2015." Washington: The Urban Institute, 2015. <http://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000488-Factors-That-Contributed-To-Low-Marketplace-Enrollment-In-Five-States-In-2015.pdf>
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