

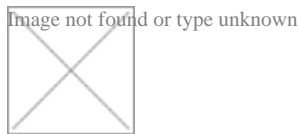


Weekly Checkup

Health Care Spending Remains an Unsolved Problem

CONOR RYAN | JUNE 26, 2014

Premium rate increase submissions are the health reform metric of the summer. Opponents of the Affordable Care Act are looking to double digit rate increases as a harbinger of the program's collapse, while supporters are pointing to moderate increases as evidence that the new Marketplaces will survive. But it is important to remember: successful health reform must lead to low annual premium increases, not just more of the same after the initial bump in price caused by new regulations. The chart below shows the National Health Expenditure estimates for per-enrollee spending on non-employer sponsored health insurance.^[1] While not a perfect indication of health insurance premiums, it is a rough approximation of our current premium trend. The ACA cannot succeed in providing affordable health insurance without putting an end to annual increases of 8 to 10 percent.



^[1] These estimates include commercial non-group coverage among other private insurance products, such as supplemental Medicare coverage; *National Health Expenditure Projections 2012-2022*, Center for Medicare and Medicaid Services, available at: <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/Downloads/Proj2012.pdf>