

**Universal Coverage
+ Guaranteed Issue
+ Modified Community Rating
= 95% Rate Increases**

**Health Insurance Rates to Almost Double for Most Americans!
*Just Look at Massachusetts***

Democrats in Congress are considering universal coverage, guaranteed issue and modified community rating. These reforms could increase the cost of health insurance 75 to 95 percent for most Americans who buy their own coverage, according to a new study by the Council for Affordable Health Insurance (CAHI) and Mark Litow, one of the nation's leading health care actuaries.¹

Health Insurance Prices to Almost Double

CAHI looked at the cost of health insurance in several states and priced a family plan with a \$2,000 or \$2,500 deductible (the closest deductible that's widely available, some copays and other benefits vary). Then CAHI compared those rates to the expected increase predicted by the CAHI study. ***Health insurance rates will almost double for most American families who buy their own policies if Congress passes universal coverage, guaranteed issue and modified community rating!***

**Health Insurance Prices Before and After Reform
(Family of Four²)**

Location	Deductible	Current Monthly Cost³	Cost of Health Insurance Under Democratic Plans⁴
Lincoln, NE	\$2,500	\$260 to \$380	\$507 to \$741
Indianapolis, IN	\$2,500	\$300 to \$380	\$585 to \$741
Little Rock, AR	\$2,500	\$250 to \$300	\$488 to \$585
Jefferson City, MO	\$2,000	\$380 to \$500	\$741 to \$975
Baton Rouge, LA	\$2,500	\$200 to \$350	\$390 to \$683
Nashville, TN	\$2,000	\$375 to \$420	\$731 to \$819
Denver, CO	\$2,000	\$350 to \$420	\$682 to \$819
Helena, MT	\$2,500	\$440 to \$500	\$858 to \$975
Tallahassee, FL	\$2,500	\$319 to \$472	\$622 to \$920

Massachusetts: Health Care Reform's Guinea Pig

Massachusetts is the only state that has produced a health care system similar to what President Obama and the congressional Democrats want — universal coverage, guaranteed issue, modified community rating and a connector/exchange, which is *supposed* to facilitate purchasing coverage and put pressure on insurers and providers to keep costs down.

Let's take a look at the cost of health insurance for a family of four in Massachusetts.

Cost of Health Insurance⁵ North Adams, Massachusetts (Family of Four)

Plan	Deductible	Monthly Premiums
Harvard Pilgrim (cheapest plan)	\$1,750 for individual \$3,500 for family	\$785.84
Health New England	\$2,000 for individual \$4,000 for family	\$804.90
Fallon Community Health Plan	\$2,000 for individual \$4,000 for family	\$816.00
Blue Cross Blue Shield of Massachusetts (most expensive plan)	\$0	\$1,641.36

The cheapest plan in Massachusetts for this family of four is more than \$9,000 a year, and the most expensive plan is more than \$19,000 a year! And depending on the state selected in the first table, the post-reform premiums roughly doubled and are about the same as those consumers currently pay in Massachusetts — just as the CAHI model predicted.

Can Families Afford Health Care Reform?

The Council for Affordable Health Insurance and one of the nation's premier health care actuaries have studied these reforms and projected the impact on consumers. The empirical evidence proves that these reforms — universal coverage, guaranteed issue and modified community rating — increase the cost of health insurance. Look at these rates and then ask yourself: Will American families be able to afford “health care reform?”

¹ Merrill Matthews, “Should We Abandon Risk Assessment in Health Insurance,” Issues and Answers No. 154, Council for Affordable Health Insurance, May 2009

² Family of four consists of husband and wife both aged 35 and two children – a 10-year-old boy and a 9-year-old girl

³ ehealthinsurance.com with a husband and wife both aged 35 with a 10-year-old boy and 9 year-old girl

⁴ Merrill Matthews, “Should We Abandon Risk Assessment in Health Insurance,” Issues and Answers No. 154, Council for Affordable Health Insurance, May 2009

⁵ These rates are from the Massachusetts Health Insurance Connector, which shows all 14 plans that are available for a family in North Adams, Massachusetts.