

First federal-run exchange claims ‘significant’ increase

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Ohio Lt. Gov. Mary Taylor (AP photo/Jay LaPrete)

Ohio officials said late Thursday that health insurance costs will increase “significantly” under the Patient Protection and Affordable Care Act.

The state’s department of insurance estimated the average individual premium will increase from \$223 per month to \$420 — an average of 88 percent — for policies under President Obama’s health care law.

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The department noted the rate filings are preliminary, and rates could change.

“We’ve warned of these increases since a state-specific study in 2011 indicated Ohio would be significantly impacted by the ACA,” Lt. Gov. Mary Taylor said in a statement. “The Department’s initial analysis of the proposed rates show consumers will have fewer choices and pay much higher premiums for their health insurance starting in 2014.”

A total of 14 carriers filed proposed rates for 214 different plans to the department for the newly formed exchange. Projected costs from the companies for providing coverage for the required essential health benefits ranged from \$282.51 to \$577.40 for individual health insurance plans, officials said.

The analysis didn’t take into account the impact that government [subsidies](#) may have on what Ohioans could pay.

The federal government is running Ohio's exchange, as the state chose not to run its own.

Ohio is among the first states to say PPACA will cause significant price hikes. Last month, [California released its sample rates](#), touting the fact that premiums will be lower-than-expected under PPACA. For the most part, California's rates emerged as less expensive than expected, with supporters of the law claiming it was a "home run" for consumers. Some critics, though, called out Covered California, the agency tasked with setting up the exchange, for making an apples-to-oranges comparison.

Ohio's insurance department said it released the information this month to "help health insurance consumers continue to prepare for the expected price increases."

Last week, a [study from Milliman](#) consulting firm found that individual premiums, on average, will increase 25 percent to 40 percent due to PPACA. The firm focused on premiums for individual and group comprehensive medical insurance plans in Arizona, Florida, Illinois, New Jersey, Ohio and Wisconsin.