



CSHB 2723 – NOTICE OF HEALTH INSURANCE RATE INCREASE

No one likes getting notice that their health insurance premiums are going up. But along with bad news about premium increases, these notices can contain useful information for consumers. House Bill (HB) 2723 by Representative Walle makes a few positive changes to notices of health insurance rate increases to better inform consumers, provide useful resources, and ensure that notices come in sufficient time to allow families and small employer to either shop around for alternate coverage or make some adjustments to their budgets. With more information and adequate time to look for other coverage, consumers will be better educated insurance shoppers, a necessary component of a competitive market.

- **HB 2723 ensures that families get notice of a health insurance rate increase at least 60-days in advance.**

- **Advance notice of rate increases allows enrollees time to either shop around for alternate coverage or adjust their budgets.**

- **HB 2723 ensures notices to families and small employers include some basic information their rate increase and where they can go to get more information.**

Ensures Adequate Time to Shop Around

For people who buy coverage in the individual market (directly from an insurer, not through an employer), HB 2723 ensures that notices of premium increase will be sent at least 60 days in advance. This protection already exists for notices related to group coverage. It is important that families have sufficient time to either shop around for more affordable coverage, or adjust their budgets to be able to absorb the increase.

Provides Helpful Consumer Education

HB 2723 ensures that notices of health insurance rate increases sent to individuals and small employers contain basic information on the increase including the effective date, old premium rate, new premium rate, and percentage increase. The notices will also point consumers to existing resources where they can get more information on the rate increase, get assistance, or learn about coverage options.

HB 2723 makes some relatively small changes to notices of health insurance rate increases, but it will make the notices more useful and informative for consumers. With good information and adequate time to shop around for the best deal, individuals and small employers will be better educated and better equipped to drive competition in the health insurance market.