

GAO Highlights

Highlights of [GAO-15-687](#), a report to congressional requesters

Why GAO Did This Study

PPACA, as of 2014, changed how insurers determine health insurance premiums and how consumers shop for individual market health insurance plans. For example, PPACA prohibited insurers from denying coverage or varying premiums based on consumer health status or gender. At the same time, PPACA required health plans to be marketed based on their metal tiers (bronze, silver, gold, and platinum), which helps consumers compare the relative value of each plan; it also required the establishment of health insurance exchanges in each state, through which consumers can compare and select from among participating health plans.

GAO was asked to examine variation in the health plan options and premiums available to individuals under PPACA, and how the options available in 2014 compared to those in 2015. GAO examined: (1) the numbers of health plans available to individuals and how they changed from 2014 to 2015, and (2) the range of health insurance premiums in 2014 and 2015, and how they changed for individuals in each state and county for selected consumers. GAO analyzed data from the Centers for Medicare & Medicaid Services (CMS); reviewed applicable statutes, regulations, guidance, and other documentation; and interviewed officials from CMS. Comparisons across years were conducted for states that had sufficiently reliable data in both years—including comparisons of plans offered either on or off an exchange in 28 states (1,886 counties) and comparisons of plans offered only on an exchange for 38 states (2,613 counties) although GAO is reporting some data on 49 states.

View [GAO-15-687](#). For more information, contact John Dicken at (202) 512-7114 or dickenj@gao.gov.

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PRIVATE HEALTH INSURANCE

The Range of Premiums and Plan Availability for Individuals in 2014 and 2015

What GAO Found

As of 2014, key provisions of the Patient Protection and Affordable Care Act (PPACA) resulted in the establishment of health insurance exchanges in each state and changed how insurers determined health insurance premiums. Individual market consumers generally had access to more health plans in 2015 compared to 2014, and in both years the lowest-cost plans were available through exchanges in most of the 1,886 counties GAO analyzed in the 28 states for which it had sufficiently reliable data for plans offered either on or off an exchange. In addition, consumers in most of the counties analyzed had six or more plans to choose from in three of the four health plan metal tiers (bronze, silver, and gold) in both 2014 and 2015, and the percentage of counties with six or more plans in those metal tiers increased from 2014 to 2015. Consumers had fewer options regarding platinum plans, although the availability of platinum plans generally also increased from 2014 to 2015. The lowest-cost plan available in a county was available on an exchange in most counties. For example, among the 1,886 counties analyzed, GAO found that the lowest-cost silver plan for a 30-year-old was available on an exchange in 63 percent of these counties in 2014 and in 81 percent of these counties in 2015—an increase of 18 percentage points.

The range of premiums available to consumers in 2014 and 2015 varied among the states and counties GAO analyzed. For example, in Arizona the lowest-cost silver plan option for a 30-year-old was \$147 per month in both years, but in Maine, the lowest-cost silver plan options for a 30-year-old were \$252 in 2014 and \$237 in 2015. In the 28 states included in GAO's analysis, from 2014 to 2015 the minimum premiums for silver plans available to a 30-year-old increased in 18 states, decreased in 9 states, and remained unchanged in 1 state. At the county level, GAO found that premiums for the lowest-cost silver option available for a 30-year-old increased by 5 percent or more in 51 percent of the counties in the 28 states. GAO also found that the range of premiums—from the lowest to highest cost—differed considerably by state. For example, in Rhode Island, 2014 premiums for silver plans available to a 30-year-old either on or off an exchange ranged from a low of \$241 per month to a high of \$266 per month, a difference of 10 percent, and in 2015 ranged from a low of \$217 per month to a high of \$285 per month, a difference of 32 percent. By contrast, in Arizona, 2014 premiums for these plans ranged from a low of \$147 per month to a high of \$508 per month, a difference of 244 percent, and in 2015 ranged from a low of \$147 per month to a high of \$545 per month, a difference of 270 percent.

An interactive graphic reporting by state and county the minimum, median, and maximum premium values for all individual market plans (either on or off the exchange) and for exchange-only plans, is available at <http://www.gao.gov/products/GAO-15-687>. It includes either data for both years, or partial data (e.g., data for one of the two years) for 49 states.

GAO received technical comments on a draft of this report from the Department of Health and Human Services and incorporated them as appropriate.