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# Florida, Georgia say insurance rates to spike under Obamacare

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By [Caroline Humer](#)

(Reuters) - Florida and Georgia, two states where politicians oppose U.S. President Barack Obama's healthcare law, said on Tuesday that insurance rates for individuals would rise sharply in 2014 under the reform.

The remarks are part of an increasingly polarized debate over whether "Obamacare" will prove affordable for millions of uninsured Americans when new health plans become available on state-based exchanges as of October 1.

Several states that have embraced the healthcare reform have shown residents how the law will reduce insurance costs, while those that have opposed its implementation are beginning to present it as a more expensive prospect for consumers.

The figures released do not factor in substantial government subsidies that will be available to many consumers based on household income, which will offset their actual out-of-pocket expenses. The government is planning for 7 million people to sign up for the new health plans that take effect in 2014.

Georgia said that insurance premiums for a 25-year-old male currently in a high-deductible plan would rise up to 198 percent in 2014 and rates for many others could rise by 20 percent to 100 percent. Georgia asked the U.S. Department of Health and Human Services to delay a Wednesday deadline for a final rate submission from the state.

The department said it was working with the all states to meet deadlines and reviewing Georgia's request.

Florida's office of insurance regulation said on Tuesday that rates for individuals will rise roughly 30 to 40 percent next year. Florida compared a 2014 mid-tier silver plan with a fictional 2013 plan that was created to cover the same 70 percent of the health care expenses that a silver plan will. Current plans may cost less than the fictional plan, but they also provide fewer benefits.

"If you take a straight average you get a distortion because you don't have the same benefits," Florida Insurance Commissioner Kevin McCarty said.

Indiana's department of insurance last week said that insurance costs to individuals under the Affordable Care Act would rise 72 percent. Unlike other states disclosing insurance plan prices, Indiana factored in not only premium rates, but also the costs of other insurance components like co-pays and prescriptions.

"These announcements from states have almost been a Rorschach test of how they view Obamacare," said Larry Levitt, vice president of special projects for the Kaiser Family Foundation.

"Consumers are hearing a welcoming message from states that are participating in implementing the law ... and that could absolutely have an effect on how many people enroll," he said. "The reverse is also true" for states that are warning consumers that prices will be high, he said.

California, one of the states that has most enthusiastically prepared for Obamacare, kicked off the debate in May when it said costs for products for individuals would fall for a 40-year-old nonsmoker by up to 29 percent compared to similar products. New York said earlier this month that average rates would drop by more than 50 percent.

The U.S. Department of Health and Human Services earlier this month said in 11 states that it studied were 18 percent lower than expectations, based on Congressional Budget Office Estimates, and that this would likely be the case nationally.

"We are confident that Florida's premiums will be affordable, and that consumers will have multiple options in a competitive and transparent marketplace," a senior administration official said in response to a Reuters query about the rate comments. "Without releasing the premiums, the statistics released today don't provide consumers with any information on what they will actually pay in the marketplace."

(Additional reporting by David Morgan in Washington and Sharon Begley in New York; Editing by Michele Gershberg and Lisa Shumaker)

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