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WASHINGTONIANS DEMAND ACTION AS HEALTH CARE COSTS SPIKE FOR 2024 Office of the Insurance Commissioner announces 8.9% average increase for 2024.

SEATTLE, WA–Health care costs continue to skyrocket in Washington state as another price hike hits consumers, with today's announcement of individual health insurance premium rate increases for 2024 by the Office of the Insurance Commissioner (OIC). Health insurance rates purchased by individuals, nearly <u>250,000 people</u>, will increase an average of 8.9% next year, with Kaiser Foundation Health Plan of Washington approved for the highest rate increase of 17.8%.

Kaiser requested the <u>highest rate increase</u> for 2024, 17.9%, even as tax filings showed its Chairman and CEO Gregory Adams received more than <u>\$15.5 million</u> in compensation and other benefits in 2021. Jim Freeburg, Executive Director of Patient Coalition of Washington purchases health insurance for his family of four from Kaiser Permanente and says, "Health care corporations keep raising prices for no other reason than to drive up their already high profits. It's time to get prices under control and look out for working Washingtonians, not CEOs."

In <u>announcing the increase</u>, Insurance Commissioner Mike Kreidler said, "I'm deeply concerned at what these increases mean for individuals and their families. We need to do the hard work of getting at the underlying costs of health care." In reviewing the proposed rate increases, the OIC considers whether the insurer's proposed rate change is justified by changes in the insurer's medical and prescription drug costs, as well as the company's claims, administrative costs, and profit. Increasingly, the OIC and Washington insurers have noted challenges keeping costs down for consumers due to the high reimbursement some hospitals, provider groups, and drug companies command, with several contentious contract disputes this year.

Rising health care costs are taking a toll on Washington residents. "Insurance premiums are just one part of the outrageous medical costs that patients are forced to absorb," said John Godfrey, a small business owner and Lead Organizer for <u>Washington CAN</u>, "combine those premiums, deductibles, and out of pocket expenses with the uncontrolled hospital and prescription drug costs, and the bottom line is people can't afford to get sick." Washington CAN gathered and

submitted more than 250 letters from concerned Washingtonians to the OIC, describing the effects of high health care prices.

Four out of five Washingtonians <u>surveyed</u> said they are worried about health care affordability and the cost of medical treatment has resulted in approximately <u>400,000</u> Washington residents being chased by debt collectors. Economic Opportunity Institute Senior Policy Associate Sam Hatzenbeler says, "You shouldn't have to be wealthy to be healthy. While there is no single answer to address all of the problems of the health care system, there are data-driven policy solutions that work, including giving the state more tools to monitor health spending and health system consolidation."

The public overwhelmingly supports health care policy changes. More than 80% of Washingtonians <u>surveyed</u> said they support the government setting limits on health care spending and penalizing insurance companies or providers that fail to comply. One coalition working to lower health care costs is <u>Fair Health Prices Washington</u>. In the next legislative session, Fair Health Prices WA, an effort by consumers, patients, workers, and employers, will support a range of efforts to make health care more affordable.

"Last year, we worked hard with legislators on solutions to tamp down on these prices, but big players in the health industry made sure they didn't make it across the finish line," said Northwest Health Law Advocates Deputy Director Emily Brice. "That can't happen again this year. People are tired of waiting for action."

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