

# Health Care Reform

## Simplifying Reform

### Michigan Health Insurance Exchange Update - Rate Summary

Issue Date: October 18, 2013

#### Background

This article provides a summary of the 2014 individual health insurance plan rates and carriers for the Michigan Health Insurance Exchange.

The Health Insurance Exchanges ("Marketplaces") are new websites where state residents can go to compare and enroll in health insurance plans. All health insurance plans offered through these Exchanges cover a set of essential health benefits, are guaranteed-issue, and offer premium subsidies for eligible residents.

#### Michigan Health Insurance Exchange—Carriers

Ten insurance companies are offering individual health insurance plans through Michigan's Health Insurance Exchange. The carriers include:

1. Blue Cross Blue Shield of Michigan
2. Priority Health
3. Blue Care Network of Michigan
4. Consumers Mutual Insurance of Michigan
5. HAP
6. Meridian Choice: Your Connection to Bronson Healthcare
7. Molina Marketplace
8. Humana Medical Plan of Michigan Inc.
9. McLaren Health Plan, Inc.
10. Total Health Care USA, Inc.

These insurance companies will be offering 80 different individual plans throughout the state Exchange. The Exchange opened for enrollment on October 1, for coverage that can go into effect as early as January 1, 2014.

## Michigan Health Insurance Exchange - Federal Premium Subsidies

The chart below shows the average rates for a 27-year-old, a 50-year-old, a family of four with 30-year-old parents and two children, a single-parent family of three with a 30-year-old parent and two children, a 40-year-old couple without children, and a child (under age 21). The plans are divided into four standard “metallic” tiers of coverage, to help compare plans by level of coverage. There are also catastrophic plans, which are meant to only cover health expenses in the case of emergency. The figures below are averages; premium rates will vary based on carrier, plan, age, region, family size, and tobacco use.

Michigan Average Premium Rates						
	Age 27	Age 50	Family	Single Parent Family	Couple	Child
Platinum	\$288.36	\$491.42	\$ 974.03	\$661.74	\$ 703.29	\$185.09
Gold	\$310.27	\$528.76	\$1,048.04	\$712.02	\$ 756.72	\$186.17
Silver	\$264.77	\$451.23	\$ 894.37	\$607.62	\$ 645.77	\$156.75
Bronze	\$207.65	\$353.87	\$ 701.40	\$476.52	\$ 506.43	\$118.52
Catastrophic	\$164.50	\$280.34	\$ 555.65	\$377.50	\$ 401.20	\$ 95.70

The above chart represents “average” premiums; which includes;

- Premiums for ages 20 through 64
- Both HMO and PPO plans
- Premiums for plans in 16 different geographic areas of Michigan
- All 10 carriers participating in the Marketplace have qualified “Silver” plans, representing 13 different plans. Only 3 “Platinum” plans were submitted by 2 carriers (all 3 are HMO plans)

## Michigan Health Insurance Exchange—Individual Health Plan Rates

The average rates above reflect the prices of premium prices before any cost sharing or premium subsidies, which will further decrease healthcare costs for eligible residents. The actual amount that Michigan residents will pay depends on their household income. New federal health insurance tax subsidies will cap the cost of health insurance at 2% - 9.5% of household income, if household income is up to 400% above the federal poverty line (FPL).

More information on Michigan's Health Insurance Exchange and health reform is available at [healthcare.gov](http://healthcare.gov).

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