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Academy Issue Brief Provides Window on What's Behind Expected Health Insurance Premium Rate Changes for 2022

WASHINGTON—The American Academy of Actuaries has published an [issue brief](#) examining what's driving changes in individual and small group markets health insurance rates that focuses on how the costs and effects of the COVID-19 pandemic are figuring into insurers' proposed 2022 rates.

“Insurer premium rate filings for approval by regulators for 2022 are generally based on the last full year of claims experience, 2020, with adjustments,” said Academy Senior Health Fellow Cori Uccello. “Carriers’ premium rates may include adjustments due to COVID-related or non-COVID-related costs and utilization that are expected to be different from that base year.”

Key conclusions of the issue brief, which was developed by the Academy’s Individual and Small Group Markets Committee, include:

- As more information is available on how COVID-19 has and could continue to affect healthcare spending, carriers are more likely to include adjustments in their 2022 rates. Nevertheless, those impacts are not expected to be material.
- Issues surrounding the pandemic continue to be a consideration for rate setting, including how the pandemic may affect regional variations in hospital utilization, the cost of vaccinations and need for booster shots, how and where members seek or delay medical care, and utilization for mental health services and telemedicine.
- Uncertainties remain regarding how the potential ending of the public health emergency and the enhanced premium subsidies available through the American Rescue Plan Act will affect plan enrollment and spending.

Read the issue brief, [Drivers of 2022 Health Insurance Premium Changes](#), and learn more about the Academy’s public policy work under the [public policy tab](#) on our website.

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The American Academy of Actuaries is a 19,500-member professional association whose mission is to serve the public and the U.S. actuarial profession. For more than 50 years, the Academy has assisted public policymakers on all levels by providing leadership, objective expertise, and actuarial advice on risk and financial security issues. The Academy also sets qualification, practice, and professionalism standards for actuaries in the United States.