

City HMO premiums in sickening \$urge

EXCLUSIVE

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ALBANY — HMO premiums in New York City soared over the past year by as much as 35 percent, boosting subscribers' health-care costs by hundreds — and sometimes thousands — of dollars, The Post has learned.


Of the 13 HMOs offering coverage in the city, 10 raised rates in 2004 — including nine by double-digit percentage points, according to data provided by the state Insurance Department.

That's on top of double-digit increases enacted by nine HMOs in 2003.

The increases are on policies purchased by individuals who do not receive insurance from work and are looking to buy policies for themselves or their families. State officials couldn't say what the rate increases have been for businesses over the past year.

The figures are based on comparisons of rates in October 2003 with those this month.

Consumer groups fear the premium hikes will make health insurance too expensive for some individuals and result in a dramatic increase in the



How they stack up

City HMOs and their premium increases since last year:

① CIGNA HealthCare of New York	34.6%
② United Healthcare of New York	22.7%
③ Aetna Health	20%
④ Vytra Healthcare Long Island	20%
⑤ Health Insurance Plan of Greater New York	15%
⑥ Health Net of New York	15%
⑦ Horizon Healthcare of New York	12.5%
⑧ Empire Health Choice HMO	12%
⑨ Oxford Health Plans NY	10%
⑩ GHI HMO Select	8.6%
⑪ Atlantis Health Plan	No change
⑫ AmeriChoice of New York	No change
⑬ Managed Health	No change

Source: State Insurance Department

number of uninsured in the city.

"It's a health-care catastrophe in the making," said Blair Horner, of the New York Public Interest Research Group.

Close to 100,000 city residents could be affected, officials said.

No HMO raised its rates more than CIGNA HealthCare of New York, which boosted its premiums by 35 percent.

CIGNA now charges its customers \$702.18 monthly per individual and \$2,106.54 monthly for family coverage.

On an annual basis, the cost for an individual pol-

icy jumped by more than \$2,160 while a family policy rose nearly \$6,500.

Five other companies — Aetna Health, Health Insurance Plan of Greater New York, Health Net of New York, United Healthcare of New York and Vytra Healthcare Long Island — boosted rates by at least 15 percent or more.

Leslie Moran, of the New York Health Plan Association, which represents dozens of HMOs, said the increases are caused by hikes at hospitals, by doctors and for prescription drugs.

Consumer groups like NYPIRG don't disagree with Moran, but believe HMOs should be forced to answer questions before the state about their profits and losses before raising rates.

In the past, rate increases over 10 percent had to be approved by the state Insurance Department after a public hearing process — but that law expired in 2000. HMOs currently do not need prior state approval to increase their rates.

The state Legislature has been unable to agree on legislation reinstating the rate-approval process.

"Clearly, New York needs an insurance watchdog to make sure HMOs aren't gouging consumers while fattening profit margins," Horner said.