

## **White House Plans Health Care Summit**

President Obama on Friday (Feb. 12) issued invitations and challenges to three dozen Republican and Democratic lawmakers, asking them to attend a summit on health care later this month. The summit is considered by some observers to be the last, best attempt to revive in Washington D.C. the effort to enact a comprehensive health reform bill. Recent dramatic increases in health insurance rates by Anthem plans in California, Maine and other states was cited as a compelling reason that the stalled reform effort must be completed.

In a letter to congressional leaders, White House Chief of Staff Rahm Emanuel and HHS Secretary Kathleen Sebelius cited the recent 39 percent requested rate hike in California by Anthem Blue Cross. "As the President noted this week, if we don't act on comprehensive health insurance reform, this enormous rate hike will be just a preview of coming attractions," they wrote.

In response to similar criticism, Anthem Blue Cross in California announced at the end of the week that it would postpone its plan to raise rates for California residents in the individual market, after reaching an agreement with state regulators. Anthem's increases in that state would have affected about 700,000 customers and would have averaged 25 percent and reached as high as 39 percent for some. The health plan agreed to postpone the increase from March 1 until May 1 so the state could have outside experts review the company's rate filing. California requires that insurers spend at least 70 cents of every premium dollar on medical care. Maine has a similar provision for plans offered to individual subscribers, as well.

In Maine, Anthem Blue Cross and Blue Shield is asking for increases in the individual market of 23% for some policy holders. Increases in the small group market were also significant, with the Maine Medical Association members plan taking an increase of 29%. Anthem is also appealing in court the Insurance Superintendent's decision in the rate case last year. In that decision, Superintendent Mila Kofman denied a portion of the increase, citing substantial profits that the company had made in Maine on other products outside of the individual market.