

Insurance firms want big hike in premiums

NEW YORKERS sick of sky-high health care premiums are out of luck — insurance companies are asking the state for rate hikes of up to 56% for next year.

The proposed increases are for individuals who pay out of pocket for medical insurance and for small business owners.

The insurance companies blame escalating costs for the premium increases, which follow big jumps last year.

MVP Health Care is asking for a 56% hike for one of its plans, while Aetna is proposing increases of 9% to 53%. Most HIP and Oxford plans are seeking double-digit rises.

"They are unconscionably high rate increases," said Elizabeth Benjamin, co-founder of Health Care for All New York, a consumer advocacy group that is urging the state to reject the proposed hikes.

"It's time someone stands up for the little guy because this is outrageous," she said.

The state Insurance Department was given the power last year to reject, modify or accept rate recommendations. It

EXCLUSIVE

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rolled back proposed hikes by about 3%.

Still, plans were allowed to implement hefty increases.

GHI HMO Select was able to raise premiums 8% and is now asking for a 12% to 20% boost, state documents show.

A spokesman for the Insurance Department, which lists the proposed rates on its website, said the agency is reviewing the proposals and couldn't comment.

Any hikes would go into effect in January, but a decision is expected by November to give consumers enough time to drop or switch plans.

More than 13,000 city residents buy their own insurance, according to the Insurance Department.

Health Care for All New York, in a letter to lawmakers, argues that companies are asking for premium jumps that outpace medical costs, which they say aren't expected to rise more than 8.5% in 2012.

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