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**Statement from Lora Pellegrini, President and CEO of the MA Association of Health Plans  
On the Massachusetts Division of Insurance Information Sessions on Health Care Costs  
Impacting Premiums**

The Massachusetts Association of Health Plans (MAHP) and our member plans commend the Division of Insurance for its proactive approach to increasing transparency and understanding around the factors driving health insurance premium rates. These sessions are vital to fostering a deeper understanding of the market dynamics impacting health care costs and their implications for consumers, employers, and policymakers.

Over 30 state reports have identified provider and pharmaceutical prices as the primary drivers of health care spending. In recent years, prices for inpatient and outpatient hospital-based care, physician services, and prescription drugs have skyrocketed, challenging health plans' ability to constrain rates. In 2024 alone, medical costs increased by 6.6%, while pharmacy costs increased by 11.8%, well above the state's 3.6% health care cost growth benchmark. While providers and the pharmaceutical industry are emboldened to ignore the benchmark, it is these very increases that drive higher health plan premium rates.

Health plans cannot fix the health insurance affordability challenge alone. Providers, including hospitals and the pharmaceutical industry, must be held accountable for their contributions to health care spending. We are optimistic that these DOI sessions will shed light on the difficulties health plans face in delivering affordable coverage to residents of the Commonwealth. We are hopeful that at the conclusion of these information sessions lawmakers will equip health plans with important tools, like those successfully implemented in other states, that are necessary to constrain premium growth.

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