Taking Care of Americans
Reducing Health Care Premiums During the COVID-19 Crisis

No one should hesitate to seek a diagnosis for or treatment of COVID-19 because of concerns about costs. As employers and hard-working families continue to experience a severe economic slowdown, health insurance providers are helping as many people as possible stay covered by offering grace periods and premium discounts.

Several health insurance providers first announced grace periods or premium reductions for their large group plans. Thanks to August 4 guidance from the Centers for Medicare & Medicaid Services (CMS), plans now have the opportunity to expand premium discounts for individual and small group plans.

Health insurance providers continue to analyze the CMS guidance and determine how it applies to their operations. Early examples of health insurance provider actions include:

- In July, Anthem provided a one-month premium credit to members enrolled in select Individual plans and fully insured employer customers, ranging from 10-15%.
- Blue Cross Blue Shield of Massachusetts is returning more than $100 million in premium reductions. Premium credits will be applied in September. Before the end of the year, Medicare Advantage members will also receive a one month “premium holiday,” during which they will not be charged their monthly premium.
- Fully insured small group Blue Cross and Blue Shield of Michigan customers received a 30% credit on their July premium invoice.
- CareFirst provided premium credits totaling $25 million for fully insured small and large group customers, reflected on their August premium invoice.
- Harvard Pilgrim Health Care is providing $32 million in premium credits to all its fully insured employer groups, as well as to Medicare Supplement members.
- Health Alliance Plan is decreasing monthly premiums by 5% through the end of the year. The decreases will be in effect through December 2020.

- Premera Blue Cross is providing up to $25 million in premium relief for small and large group commercial customers. These employers can expect to see premium relief applied to their August billing cycle.
- Regence is providing up to $35 million in financial relief to commercial health plan customers in its four-state footprint through a premium credit. Select fully insured group and individual Regence health plan customers across Idaho, Oregon, Utah and Washington will receive a credit for a portion of their health care premium on upcoming bills.
- UCare reduced member premium payments by 20% in July and August.
- Health insurance providers like Providence Health Plans, Highmark, and EmblemHealth have all offered grace periods, allowing members to take more time to pay their premiums.

It is still too soon to know what the real financial impact of the COVID-19 crisis will be. Even as other health care services come back online, thousands more Americans are diagnosed with the virus every day. Patient trends continue to vary greatly, based on geography, COVID-19 severity, the comfort of patients in going back to their doctors, and many other factors.

What remains certain is that health insurance providers will continue to encourage patients to get the care they need; support our health care heroes on the front lines of the pandemic; help stabilize our communities and local businesses in their time of need; and work with federal, state and local leaders on important policy solutions.

Because working together, we can and will defeat and overcome the COVID-19 crisis.

*NOTE: In September, some Americans will also begin receiving rebate checks from their health insurance provider, as part of satisfying Medical Loss Ratio threshold requirements for 2019. It’s just one more way we’re ensuring Americans’ premium dollars are at work for them.*