

WASHINGTON, DC (June 21, 2010) – Rep. Jan Schakowsky (D-IL) released the following statement in response to two reports issued today that found that Americans continue to face significant insurance premium increases while insurance companies are reaping huge profits.

“The findings of today’s two reports highlight, yet again, why Americans who are being forced to pay more for less desperately need protections against big insurers’ insatiable thirst for profits. A new report released today by the Kaiser Family Foundation shows that more than three quarters of people who buy their insurance on the individual market are facing a premium increase, and the average hike is a 20% increase. But that is only an average; in Illinois, some are facing a rate increase as high as 60%.

“Before health care reform legislation goes into effect, the insurance companies are exploiting consumers to pad their profit margins. A Health Care for America Now report shows what happens when you leave big insurance unregulated: Breathtaking profits for big insurance companies in the first quarter with net income of \$3.2 billion for the largest five insurers. That’s a 31% surge from the first quarter of 2009.

“It’s evidence like this that points to the need for strong rate review authority now. Senator Dianne Feinstein (D-CA) and I have introduced the Health Insurance Rate Authority Act of 2010, H.R. 4757, which would give the Secretary of Health and Human Services the ability to end these unreasonable rate hikes before they can bleed more Americans struggling to afford health care coverage.”