

## [Commissioner Jones Responds to Federal Government Announcement of New State Grants for Health Insurance Rate Review](#)

Posted on February 25, 2011 by [Barger & Wolen LLP](#)  
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In a [press release](#) issued today, [California Insurance Commissioner Jones](#) applauded the [U.S. Department of Health and Human Services](#) after it announced the availability of roughly [\\$200 million in new health insurance rate review grants](#).

Specific funding is available to support states in their efforts to stop excessive premium increases from being implemented. However, California would not be eligible for this portion of the grant because California law currently does not empower the Commissioner to reject excessive health insurance premium increases.

As discussed earlier in this blog, [Commissioner Jones recently issued Guidance 1163:2](#) which allows the Commissioner to determine, based upon a list of factors, including a federal medical loss ratio, whether a health insurance premium rate increase is “unreasonable”.

The Commissioner however has no power to reject an "unreasonable" rate increase.

Commissioner Jones is actively supporting legislation that would give him such power and the new federal grants gives him yet another platform to do so.

While California is eligible for some of the grant funding through this program, we would be eligible for more federal funding if California law provided the Insurance Commissioner with the authority to reject excessive premium increases. This again brings to light the need to change the law and provide the Insurance Commissioner with that authority. I am working with [Assembly Member Mike Feuer](#) to pass [AB 52](#), which would give me the authority to reject excessive health insurance premium increases."

We will follow AB 52 and the Commissioner's efforts to reform health insurance rate regulation.