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**NEW YORK HEALTH PLAN ASSOCIATION ON HEALTH CARE COSTS:  
*Issue Brief Examines Cost Drivers Impacting Health Insurance Premiums***

The New York Health Plan Association (HPA) today issued *Health Insurance 101: Understanding Health Care Premiums*, a policy brief that examines the drivers of rising health care costs affecting health insurance premiums. The key factors examined include:

- Continued increases in **hospital prices**, which are expected to rise by nearly twice the rate of inflation during 2025-2026 according to data from the Centers for Medicare and Medicaid Services;
- High and ever escalating prices that pharmaceutical companies continue to charge for **prescription drugs**;
- The number of **mandated benefits**, with New York lawmakers approving nine bills this session for new benefits that would be added to every health insurance policy on top of the more than 45 existing specific treatments or services required to be covered or “make available;”
- **Taxes on health insurance**, which total more than \$6.6 billion annually, adding to the cost of health insurance and increasing the annual premium for the average family buying a policy in New York by more than \$1,000; and
- The impact of **Federal budget actions** that will increase average monthly costs by \$114 for an individual and \$228 for a couple according to estimates from the NY State of Health.

“The proposed 2026 rates health plans submitted reflect New York’s high health care costs,” said Eric Linzer, President and CEO of HPA. “Continued growth in the prices hospitals and Big Pharma charge, coupled with government-imposed mandated benefits, taxes on insurance, and the potential loss of federal subsidies should be fully recognized in the final approved premiums as they reflect the cost of coverage.”

The issue brief is available on the HPA website at: <https://nyhpa.org/2025/06/understanding-health-care-premiums/>

-30-

*The New York Health Plan Association represents 20 managed care health plans that provide comprehensive health care services to more than 8 million New Yorkers.*