

**Washington, D.C.** – Congressman Joe Courtney today applauded new data from the U.S. Department of Health and Human Services (HHS) showing that 137,452 families in Connecticut will receive \$12,949,130 in rebates from their health insurance companies because of the Affordable Care Act’s Medical Loss Ratio (MLR).

The MLR requires insurance companies to spend at least 80 percent of consumers’ premium dollars on medical care and quality improvement. Insurers can spend the remaining 20 percent on administrative costs, such as salaries, sales, and advertising. Beginning this year, insurers must notify customers how much of their premiums have been actually spent on medical care and quality improvement. Insurance companies that do not meet the 80/20 standard must provide their policyholders a rebate for the difference no later than August 1, 2012.

“The Affordable Care Act’s Medical Loss Ratio ensures that the money consumers spend on health insurance actually goes to care and quality improvement,” **said Congressman Joe Courtney.**

“The refunds announced today provide immediate relief for eastern Connecticut families, and show once again that the Affordable Care Act is effective at reining in costs and protecting consumers. Even as the Supreme Court decides the law’s fate, young people are being insured, seniors are receiving assistance with prescription drug costs and insurers are obligated to cover Americans with pre-existing conditions – all as a result of the Affordable Care Act.”

According to HHS, Consumers owed a rebate will see their value reflected in one of the following ways:

- a rebate check in the mail;
  
- a lump-sum reimbursement to the same account that they used to pay the premium if by credit card or debit card;
  
- a reduction in their future premiums; or

- their employer providing one of the above, or applying the rebate in a manner that benefits its employees.

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