

February 6, 2013

To: The Honorable Chip Shields
The Honorable Laurie Monnes Anderson

From: John Powell
Representing Regence BlueCross BlueShield of Oregon

Subject: SB 413

Senators Shields and Monnes Anderson:

Yesterday the three of us discussed SB 413. Our major objection to the legislation is the ability to administer it and the cost to benefit ratio of spending dollars that could otherwise be spent for direct health care or lower premiums.

The administrative difficulty in mailing any health related information, even a mailing that suggests which insurance company insures you, is HIPPA protected information. An insurance company must carefully write a computer program for such mailings and have time to cross check its accuracy. This process takes much more time than those of us not directly involved in the process would assume.

To make such a mailing meaningful to the 30 day public comment period, which begins when the Insurance Division receives the filing, is not practical.

An alternative suggestion would be to require health insurers to annually notify policyholders in advance of the approximate timing of their filing (beginning in 2014, most all filings will be at the same time). The notice would direct the policyholder to sign up for the filing information provided on the DBCS web site. In this manner, the policyholder would receive the filing information in a timely manner (at the beginning of the 30 day public comment period).

The measure should give the Oregon Insurance Division rulemaking authority to determine the most appropriate time for such mailings and other details.

Again, we thank you for the opportunity to provide input in to this proposed legislation.