

## Floor Letter in Support of SB 413B

Dear Representatives,

**SB 413B represents an important opportunity to build on the successes of Oregon's health insurance rate review program.**

The Oregon Insurance Division's rate review program serves as a critical backstop to protect Oregon small businesses and families from unreasonable rate increases. OSPIRG estimates that rate review has cut over \$80 million in waste and unjustified costs from premiums since 2010.<sup>1</sup>

SB 413B takes the following small but important steps:

- **SB 413B will enhance the public's ability to participate.** Oregon's rate review process was designed to enable policyholders to have a say in rate decisions that affect them. But as things stand, most affected Oregonians are unlikely to hear about a pending rate hike until well after it is approved. SB 413B will make it much easier for Oregonians to learn about pending rate increases and have a say in the process.

Making it easier for Oregon small businesses to receive notice of rate requests will not only enable greater participation, but will help provide employers with important information about trends in costs that will help them plan for the future.

- **SB 413B will help Oregon take the next step to protect families and small businesses from paying too much for health insurance.** By directing the Oregon Insurance Division and the Oregon Health Authority to work together to develop standards for evaluating insurers' cost containment efforts, SB 413B will enable rate review to address more effectively the biggest driver of increasing premium rates: rising medical costs.
- **SB 413B will build greater transparency** in the rate review process by enabling closer scrutiny of the drivers of health care cost inflation. This transparency will help create a level playing field and help inform Oregon's work to bend the cost curve for quality care.

Oregon has shown that a strong and transparent rate review program can make a difference in containing costs, and it is time to take the next step.

**OSPIRG urges your support for SB 413B.**

<sup>1</sup> See <http://ospirgfoundation.org/reports/orf/advancing-accountability-cutting-health-care-waste>