



## **Transparency and Rate Improvements for 2015/HB2605 with Amendments**

### **Issue / Rates for Consumers on the Health Exchange:**

Currently, there is little transparency or opportunity for input during the Insurance Division rate setting process for plans offered on the Exchange. This means that rates can be imposed on consumers that are based on inaccurate information, and in some cases may result in higher than necessary premiums for families.

Health Cooperatives were specifically created by Congress to provide a more efficient, consumer directed and hopefully lower cost option to vulnerable and low income consumers. The current rate setting process doesn't allow for change or discussion once the Division issues a final rate determination, and thus fails to take into consideration factors that would allow the Cooperatives (or others, for that matter) to argue for lower rates which would benefit consumers.

### **Process Improvements:**

In reviewing rate proposals for plans that will be offered on the Health Insurance Exchange, a process shall be developed that brings:

- **Transparency:** Ensures that consumers and insurers have access to the information used by the Insurance Division to make their preliminary rate proposal.
- **Actual Dialogue:** Requires the Insurance Division to make a *preliminary* decision on rates before the public comment period, allowing a true dialogue to take place before rates are finalized.
- **Timely Review:** Allows for a petition to the Director of DCBS for a 30 day review and reconsideration of the final rate decision by the Division.

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