



Support for HB 5012, DCBS Budget
April 2, 2015

Standard Insurance Company and the Oregon Life and Health Insurance Guaranty Association support the budget request of DCBS and the Oregon Insurance Division. The Standard is one of Oregon's largest traded sector companies, employing 3,000 individuals and serving approximately 7 million customers nationwide. We're proud to have been founded here in 1906 and remain headquartered in Oregon today.

The guaranty fund protects Oregon policyholders and pays insurance benefits in the event of an insolvency in the industry. The Insurance Division is a critical partner to the guaranty fund in carrying out its mission to protect Oregon consumers.

A robust regulatory agency is necessary for an industry as varied and complex as insurance. Products ranging from life insurance to medical coverage to annuities are regulated and monitored by the Insurance Division. Additionally, the Division is charged with overseeing the market conduct and financial health of the companies that offer these products.

These are complex issues, and I'm happy to report that Oregon's insurance regulators are well respected, impartial and knowledgeable in their various responsibilities.

While one of the primary responsibilities of the Division is to ensure the financial health of Oregon's insurance industry, by no means is the Division anything but impartial. I have participated in countless rulemakings as an advisory committee member, and attest to the fact that the Division is proactive in its outreach to stakeholders, and incorporates feedback from non-insurer interests extensively.

The health and solvency of insurers operating within a state are critical issues for all insurance regulators. Upholding this responsibility provides for a competitively-priced marketplace, and serves as perhaps the most important consumer protection tool by ensuring that companies are able to meet their future obligations to consumers. The Division's financial regulation staff is accessible and top notch. They are thorough in their examination of company finances, and capably work through complex financial filings. I have been impressed at their breadth of knowledge with many filings by my company, and also at their willingness to retain outside advisors to assist when needed.

Consumer protection is of course a paramount responsibility of the Division, and from my perspective the Division fulfills this charge better than most insurance regulators in the U.S. The Division's consumer advocates are practical and know how to work out issues between insurers and their customers. This vital service, free of charge to consumers, often ends in a mutually satisfactory resolution between consumer and company.

Justin Delaney, Vice President and Associate Counsel, The Standard
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