



INDEPENDENT INSURANCE AGENCY
"More Choices. Better Results."

5/27/2015

To Whom It May Concern,

Thank you for serving on Oregon's state legislature and for working to safeguard the interests of all its citizens. Please join me now in fighting for Oregon's small businesses – help protect them from the damaging consequences of House Bill 2466.

Most of the bill is perfectly fine. However, the part that has me worried is the proposal to allow groups of 51 – 100 to stay in "pre-ACA" or "transitional" plans until 2020. Allowing these groups to remain on transitional plans will raise rates considerably for all small businesses for the foreseeable future.

If health insurers are permitted to offer transitional plans, they will intentionally court groups that present the least risk while offloading historically costly, risky groups onto the small group market. As a direct result of the influx of these higher risk lives, insurers will have no choice but to increase rates across the whole small group market to offset this inherited, and largely undesirable, risk.

In short, please be on the lookout for any language in the proposed legislation that would allow groups of 51 – 100 to stay in "transitional" or "pre-ACA" plans. Naturally, large groups who have really low rates will want to keep them but we cannot ask Oregon's small businesses to pay for this.

Sincerely,

Leta Peterson
Agent