

**HB 3074 A STAFF MEASURE SUMMARY**

**Carrier:** Rep. Nosse

**House Committee On Health Care**

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**Action Date:** 04/02/19

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 9-1-1-0

**Yeas:** 9 - Alonso Leon, Boles, Drazan, Greenlick, Mitchell, Noble, Nosse, Prusak, Salinas

**Nays:** 1 - Hayden

**Exc:** 1 - Keny-Guyer

**Fiscal:** No fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Oliver Droppers, LPRO Analyst

**Meeting Dates:** 3/26, 4/2

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**WHAT THE MEASURE DOES:**

Directs the Department of Consumer and Business Services (DCBS) to issue a preliminary decision to approve, disapprove, or modify a commercial insurance rate filing after the close of the public comment period, and notify the insurer. Allows DCBS to issue a proposed order 30 days after issuing a preliminary decision. Authorizes DCBS to issue a final order if an insurer or person adversely affected by the proposed order does not request review within 10 days after the date the proposed order was issued. Directs DCBS to issue final order no later than 30 days after receipt of request for review.

**ISSUES DISCUSSED:**

- Current DCBS process to review and approve commercial insurance rates
- Streamline the state's rate review (rate-setting) process; timeline between proposed and final orders issued by DCBS
- Distinction between a preliminary decision (created by actuaries based on carrier's filings) and final order (DCBS-approved rates)
- Providing additional time for public comment

**EFFECT OF AMENDMENT:**

Replaces the measure.

**BACKGROUND:**

According to the Department of Consumer and Business Services (DCBS), Oregon's insurance rate review process is viewed as a national model for transparency. The process helps ensure individual and small group health rates are: actuarially sound, sufficient, and not excessive; reasonable in relation to benefits offered; and based on reasonable administrative costs. DCBS reviews and approves rates before insurance coverage is sold to Oregonians.

House Bill 3074-A reduces administrative steps with the insurance rate review process in Oregon.