# HB 2564: Health insurance rate review updates

#### **Presenters:**

Jesse O'Brien, DFR policy manager Numi Rehfield-Griffith, DFR senior policy advisor



Department of Consumer and Business Services

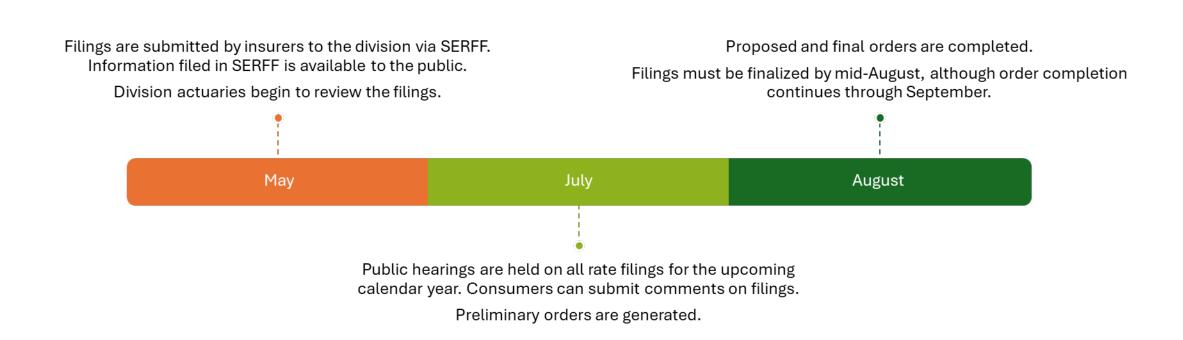
### Health insurance rate review – background

- Oregon was an early adopter of a transparent, consumer focused rate review process for individual and small group health benefit plans
- Oregon's rate review model is considered a model for other jurisdictions
- The process helps ensure rates are:
  - Actuarially sound
  - Sufficient and not excessive
  - $\circ$   $\,$  Reasonable in relation to benefits offered  $\,$
  - Based on reasonable administrative costs

#### Health insurance rate review – process

- Uniform submission requirements allow easy comparison between insurers
- Public disclosure of rate request details and filing communication
  - Oregonhealthrates.org
- Opportunity for public comment on every rate filing
- Annual rate hearing, streamed for easier remote participation

#### **Review timeline**



#### **Opportunities for improvement**

- Low consumer interest in rate review
- Repetitive administrative orders increase consumer confusion and uncertainty
- Redundant processes create unnecessary administrative burdens
- Decreased ability to address market changes that arise late in the rate review process.

#### HB 2564: Modernizing rate review

• Enhanced transparency: Provides rulemaking authority to require insurers to produce a consumer-friendly summary document for each rate filing

• Administrative simplification: Reduces required administrative orders from three to two by combining redundant steps in the process

• -1 amendment: Restores opportunity to request review of rate decisions by DCBS director and provides technical legal clarifications

## **Questions?**

Jesse O'Brien jesse.e.obrien@dcbs.oregon.gov

Numi Rehfield-Griffith numi.l.griffith@dcbs.oregon.gov



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