

Fiscal Impact Statement

Please come to our next meeting prepared to discuss these issues from the perspective of the entity or group you represent. The committee discussed these questions at its last meeting in June and from that discussion, OID has developed these proposed answers.

A fiscal impact statement must describe estimated costs of proposed rulemaking on all affected persons, to the extent that information is available.

PROPOSED LANGUAGE: These new and amended rules update the Oregon benchmark plan and standard plans for plans beginning on and after January 1, 2017. The rules do not contain new requirements, but do clarify existing state and federal requirements adopted since 2014. The fiscal impacts to insurers and the public generally will be in potential increased administrative costs resulting from insurers needing to update plan language. However, the insurers would be required to adjust plan language to conform to current requirements, so this cost is not solely resulting from adoption of these rules. Inclusion of clearer language providing clear guidance to insurers may counter any increased administrative costs. Members of the public should experience reduced costs in determining coverage.

The plan selected by the rulemaking advisory committee is an updated version of the current Oregon benchmark plan. One reason the committee recommended this plan is to minimize the disruption and changes that would result from selection of an entirely new plan.

The fiscal impact statement must also include a statement of the effect on small businesses. This statement must deal with the following matters, stated in ORS 183.336. That section reads as follows:

(1) The statement of cost of compliance effect on small businesses required by ORS 183.335 (2)(b)(E) must include:

(a) An estimate of the number of small businesses subject to the proposed rule and identification of the types of businesses and industries with small businesses subject to the proposed rule;

PROPOSED LANGUAGE: This rule establishes requirements for Oregon's benchmark and standard plans. Small businesses may be subject to the rule if they purchase coverage for employees. It is unknown how many small businesses would be impacted by this rule. The primary impact would be on insurers and no insurers in Oregon are small businesses.

(b) A brief description of the projected reporting, record keeping and other administrative activities required for compliance with the proposed rule, including costs of professional services;

PROPOSED LANGUAGE: None

(c) An identification of equipment, supplies, labor and increased administration required for compliance with the proposed rule; and

PROPOSED LANGUAGE: Some insurance producers who are small businesses may incur some costs in learning about the new plans and plan requirements. No new equipment or supplies should be required for small businesses.

(d) A description of the manner in which the agency proposing the rule involved small businesses in the development of the rule.

PROPOSED LANGUAGE: Representatives of small businesses, including producers and providers were members of the rulemaking advisory committee.