

Rate Filing Summary
(Company Name)
New (Individual/Small Employer) Health Benefit Plan

The Oregon Insurance Division approves rates of all health benefits plans in the individual and small employer markets. This plan will be available:

- Effective date: mm/dd/yy

The monthly health insurance premium that you pay is made up of three pieces: the claims costs, administrative costs, and profit.

- **Claims costs:** Claims costs are # percent of premium.
- **Administrative costs:** Administrative costs are # percent of premium.
- **Profit or margin:** Profit is # percent of premium.

Glossary

Administrative costs: Expenses the insurance company pays to operate this insurance plan. This includes all expenses not directly related to paying claims, such as, but not limited to, salaries of company employees, the cost of the company's offices and equipment, commissions to agents to sell and service policies, subsidies to cover legally required plans such as portability and the Oregon Medical Insurance Pool, and taxes.

Medical and prescription costs: The portion of the premium that pays for medical services and prescriptions. In some policies, prescription costs are shown as a separate item.

Profit: The amount of money remaining after claims and administrative expenses are paid. Margin is the comparable term for a nonprofit insurance company.