



Department of Consumer and Business Services

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Oregon Health Insurance Rate Review – Plan Year 2018

The Department of Consumer and Business Services (DCBS), through its Division of Financial Regulation, reviews rates for individual and small employer health plans to ensure that they are reasonable. That means rates are sufficient to cover costs so that health insurance companies can pay claims, but not excessive.

The division's rate review process is known nationally for its transparency and strong standards. The division posts rate filings for individual and small employer health plans and all the information associated with the filings on www.oregonhealthrates.org. The public can comment on the filings through the website, public conference calls, and at public hearings.

When reviewing rates, the division may consider factors such as an insurance company's investment income, surplus, and cost-containment and quality-improvement efforts. It may also consider a company's overall profitability, rather than just the profitability of a particular line of insurance.

Consumers can sign up to get emails about company filings, public conference calls, and hearings if they want to watch and provide comments.

Rate review for 2018 plans

The individual health insurance market has undergone significant challenges since the Affordable Care Act (ACA) took effect in 2014. Medical claims for the influx of new enrollees have been higher than expected, and federal programs aimed at limiting risk for insurers are ending. Those factors have made it necessary for insurers to raise premium rates significantly in 2016 and 2017. Also, many insurers have chosen to shrink their presence in some areas of the state. Looking ahead, there is significant uncertainty about the future as repeal or changes to the ACA are considered.

To help promote stability in this uncertain time, the division is making some changes to its rate review process for 2018 plans:

- **Extending the filing deadline.** The deadline for insurers to file rates with the division has traditionally been on May 1. This year, the division has extended the deadline to May 15, 2017.
- **Publicizing average claims costs before the filing deadline.** Insurers must set their individual health plan rates to reflect the average market risk, using both their own claims data and marketwide data. Before the rate filing deadline, the division will issue information about the market average claims cost for 2016. The division expects that

insurers will consider it in developing their rates for 2018. Insurers will have to quantify and provide justification for any adjustments they make to the market average.

The goal in publishing the market average cost data before the filing deadline is to provide clarity and consistency to carriers about the most-recent marketwide financial data and reduce uncertainty about the division's starting point for the rate review process.

Timeline for plan year 2018 rate filings

May 15, 2017: Rate filings for health plans due to the division

May 16, 2017: Division issues press release announcing proposed rates

May 22, 2017: Rate filings available on www.oregonhealthrates.org

May 22 – July 11, 2017: Public comment period

May 24, 2017: Comparison tables available on www.oregonhealthrates.org

June 8 – June 9, 2017: Public conference calls

June 29, 2017: Division posts preliminary decisions on www.oregonhealthrates.org and issues a press release

July 7-11, 2017: Rate hearings held in Salem and streamed online

July 20, 2017: Division posts final proposed decisions on www.oregonhealthrates.org and issues a press release

July 20, 2017: Division issues press release announcing final proposed decisions

Mid-to-late August 2017: Final 2018 rates available with comparison tables on www.oregonhealthrates.org

Nov. 1, 2017: Open enrollment begins for 2018 plans

Learn more

Health Insurance Rate Review website:

www.oregonhealthrates.org

Questions?

Contact Ethan Baldwin, rate review policy analyst

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