

Consumer Guide to 2026 Health Insurance Rate Filings

Factors and considerations in the
Health Rate Review process

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INTRODUCTION



Each year, the Division of Financial Regulation (DFR) conducts a transparent health insurance rate review process for health plans that comply with the Affordable Care Act for small businesses and people who buy their own coverage rather than getting it through an employer. Conducting a yearly rate review ensures that premium rates charged to Oregonians adequately cover health care costs without being too high or too low.

This guide provides an overview of the rate change insurers requested, an explanation of the factors and trends affecting rates, and a summary of DFR's recommended rates formally communicated in DFR's preliminary decision documents, published on www.OregonHealthRates.org. The purpose of this guide is to aid in understanding DFR's preliminary decision document for rates set to become effective Jan. 1, 2026.

The 2026 health rate review process began in the fall of 2024 with insurance companies submitting filings that included information about their financial experience and assumptions. Pursuant to the authority granted by ORS 743.018(5), DFR actuaries review that data to ensure the requested rates are “reasonable and not excessive, inadequate or unfairly discriminatory.”

The review process takes into account a three-year window:

- The year the plan takes effect (2026)
- The year the rates are prepared, filed, and reviewed (2025)
- The most recent full year of data that can be referenced (2024)

That three-year window means that rates are set using data from prior years that is then projected forward to produce current rates. Trained and certified actuaries, experts in mathematics and statistical methods, make those projections. DFR also employs actuaries to review the information provided by insurers and to provide an independent assessment of the insurer’s calculations.

The rate review process is designed to foster a healthy insurance marketplace that maximizes consumer choice, minimizes consumer cost, and maintains the solvency of insurers to prevent consumer harm. Because of rising costs throughout the market, annual cost increases are to be expected most years – over time, inflation drives all costs up in healthy economies. The rate review process allows DFR actuaries to “check the math” of insurance companies, ensuring that their requested cost increases are justified by actuarial standards and market forces, and are necessary to maintain the solvency of the insurance company.

RATE CHANGE REQUESTS

The table below shows the rate change requested by each insurer this year. It shows the rate increase requested, a representative “base rate,” and the total number of members affected.

The base rate represents what a 40-year-old on a “silver” plan in the Portland area would pay (without any subsidies or financial assistance) for health insurance. Rates vary based on geographic location and age.

Plans are rated on a “metals” system: bronze, silver, and gold. Those metal levels correlate to upfront premium costs (low for bronze, high for gold) and out-of-pocket cost sharing (high for bronze, low for gold). Consequently a Silver is the middle cost plan.

	Individual			Small Group		
Company	% Increase	Rate (\$)	Members	% Increase	Rate (\$)	Members
BridgeSpan	12.6	620	139			
Kaiser	12.9	518	33,313	6.6	450	25,702
Moda	9.2	539	33,027	11.7	491	17,591
PacificSource	3.9	593	14,099	5.2	502	1,315
Providence	8.1	584	39,974	21.5	598	38,281
Regence BCBS*	12.4	591	24,166	7.3	495	33,030
Health Net				9.3	479	3,864
UHC IC**				16.8	613	8,711
UHC of OR***				19.8	613	-

* BlueCross BlueShield

** UnitedHealthcare Insurance Company

*** United Healthcare of Oregon

Each insurers rate change request, and supporting documentation, underwent a comprehensive review.

WHAT IS TREND?

Trend simply refers to the change in cost of providing services. Trend includes many factors, but it generally ends up illustrating how certain key costs are changing, influencing the premiums an insurer must charge to stay solvent.

Trend can be broken down into two key categories – medical and pharmacy – each with a handful of items contained within.

Trend Components

Medical

- Unit cost – when considering the same service is being provided, the cost of providing that service has gone up. This includes forces such as:
 - » Medical inflation
 - » Provider contract changes
 - » Changes in intensity of medical care
- Utilization – In a given period, more services are being provided than before, causing an increase in costs. This includes forces such as:
 - » Changes in medical care practices
 - » Supply of services
 - » Changes in health or behavior of the covered population

Pharmacy

- Typically, most insurers use a pharmacy benefit manager (PBM) model. In short, a third party is contracted to negotiate drug prices and coordinate with pharmacies. Includes forces such as:
 - » Introduction of new drugs
 - » Expiration of patents
 - » Issuer-specific utilization by drug class

Trend has marketwide forces, but will also vary by specific insurer. Each insurers’ trend calculation is reviewed by DFR actuaries.

Historical overall trend

Trend varies over time based on changes in the market. The table below illustrates the changes to trend over the last two years and compares it to the projected 2026 trend. Overall, trend is projected to be higher in 2026 than it was in 2025.

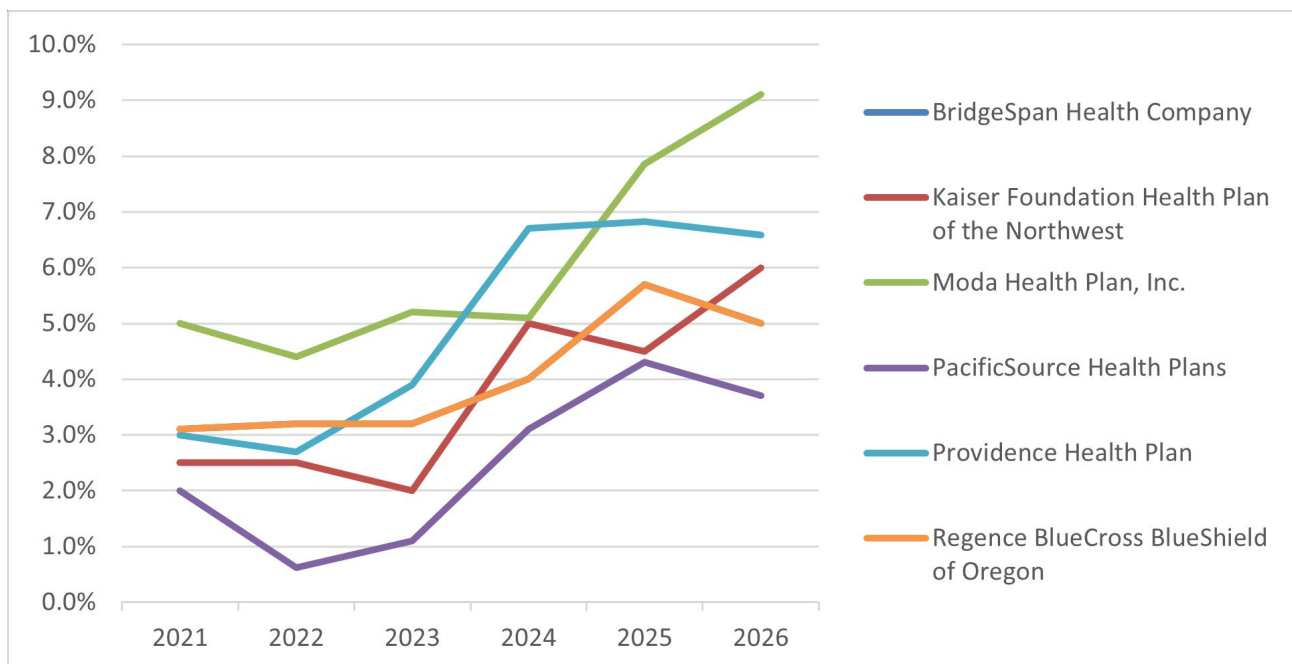
(In %)		Medical			RX			Overall		
	Year	Avg.	Min.	Max.	Avg.	Min.	Max.	Avg.	Min.	Max.
Individual	2024	6.1	5.0	8.0	8.3	5.0	10.2	6.6	5.0	8.2
	2025	7.9	4.5	9.4	8.7	4.5	11.7	8.0	4.5	9.6
	2026 (proj.)	7.9	6.0	10.4	9.2	6.0	15.0	8.0	6.0	10.2
Small group	2024	4.8	2.0	6.6	7.3	2.0	11.3	5.2	2.0	6.6
	2025	6.4	3.5	8.7	7.6	3.5	10.2	6.6	3.5	8.5
	2026 (proj.)	7.8	3.9	12.1	8.1	4.0	13.4	7.8	4.0	12.1

Projected trend by insurer - Individual market

The tables below compare the trend projected by each insurer. Variance here is normal as each insurer experiences different trend forces unique to the population covered by their policies as well as the contracts the insurer is able to negotiate with providers.

(In %)	Medical			RX			Overall		
Company	Cost	Util.	Total	Cost	Util.	Total	Cost	Util.	Total
BridgeSpan	5.0	2.8	7.8	5.5	2.8	8.5	5.0	2.8	7.8
Kaiser	6.0	0.0	6.0	6.0	0.0	6.0	6.0	0.0	6.0
Moda	9.1	1.2	10.4	7.0	2.5	9.7	8.7	1.4	10.2
PacificSource	3.7	2.3	6.1	5.5	2.3	7.8	4.0	2.3	6.4
Providence	6.6	2.6	9.4	10.3	4.3	15.0	7.0	2.7	9.9
Regence BCBS	5.0	2.8	7.8	5.5	2.8	8.5	5.0	2.8	7.8

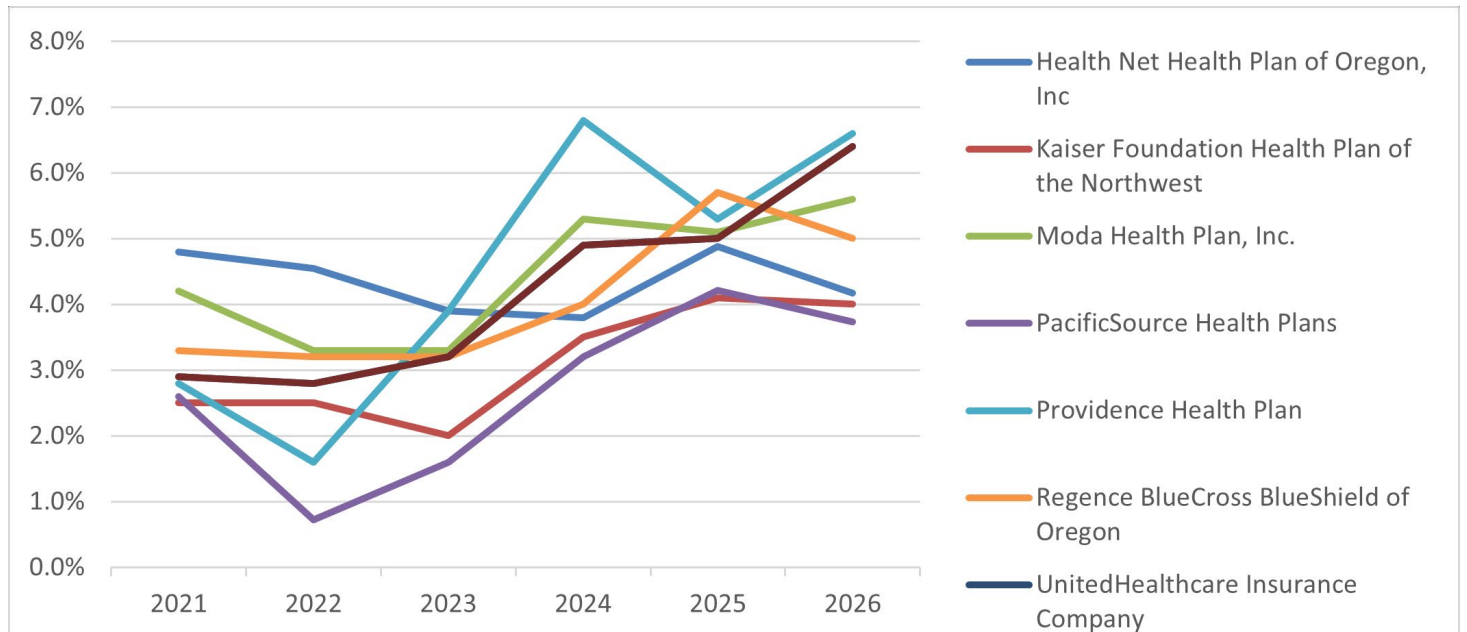
Projected medical cost trend by year - Individual market



Projected trend by insurer - small group market

(In %)	Medical			RX			Overall			Quarterly Increase
Company	Cost	Util.	Total	Cost	Util.	Total	Cost	Util.	Total	
Health Net	4.2	-0.3	3.9	9.3	0.0	9.3	5.2	-0.2	5.0	1.4
Kaiser	4.0	0.0	4.0	4.0	0.0	4.0	4.0	0.0	4.0	0.6
Moda	5.6	1.2	6.9	7.0	2.5	9.7	5.8	1.4	7.3	2.0
PacificSource	3.9	2.3	6.2	5.4	2.3	7.7	4.2	2.3	6.5	1.8
Providence	6.6	5.2	12.1	4.6	8.4	13.4	6.3	5.5	12.1	2.9
Regence BCBS	5.0	2.5	7.5	5.2	2.5	7.7	5.1	2.5	7.6	2.3
UHC	6.4	4.3	11.0	2.3	4.3	6.7	5.6	4.3	10.1	2.5
UHC of OR	6.4	4.3	11.0	2.3	4.3	6.7	2.6	4.3	10.1	2.5

Projected medical cost trend by year - small group market



PROJECTED MEDICAL LOSS RATIO

The Affordable Care Act (ACA) requires that 80 percent of premiums must be used to pay claims. The table below shows what percentage of premium costs each insurer paid in claims.

There is more than one way to calculate this figure. In the “federal medical loss ratio” (MLR) column below, “quality improvement” expenses are included in the claim amount, and taxes and fees are excluded from the premium in the calculation. This results in a higher projected medical loss ratio. In either case, all Oregon health insurers have exceeded this requirement.

Should an insurer go below 80 percent MLR, the ACA requires that insurers return the excess premiums collected to plan holders in the form of rebates.

(In %)	Individual		Small Group	
Company	Pricing	Federal	Pricing	Federal
BridgeSpan	82.8	87.8		
Kaiser	84.7	88.7	86.6	88.3
Moda	88.7	90.5	87.9	89.7
PacificSource	85.1	89.4	85.1	87.8
Providence	83.4	88.2	83.6	86.6
Regence BCBS	84.4	89.1	84.7	87.2
Health Net			85.3	87.7
UHC IC			83.7	86.5
UHC of OR			83.7	86.5

Pricing MLR – This calculation is strictly claims divided by premiums

Federal MLR – In this calculation, the quality improvement expense is included in the claim amount, and taxes and fees are excluded from the premium in the calculation.

RETENTION

This table shows what is done with the money left over after claims – the other side of the MLR shown above. This amount includes all salaries paid to insurer staff and any premium expected to be retained as profits or margin for the individual market.

Individual market retention

PMPM = per member per month

	BridgeSpan		Kaiser		Moda		PacificSource		Providence		Regence BCBS	
	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.
Expenses	54.68	5.9	57.16	8.1	49.86	6.3	54.90	7.0	62.34	7.9	39.73	6.5
Commissions	2.79	0.3	6.90	1.0	6.00	0.8	8.04	1.0	7.64	1.0	6.60	0.9
Vendor fees	11.28	1.2	14.13	2.0	0.00	0.0	0.00	0.0			8.70	1.2
Insurer fee	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0
Risk Adjustment Program Fee	0.20	0.0	0.20	0.0	0.18	0.0	0.20	0.0	0.20	0.0	0.20	0.0
Oregon Premium Assessment	18.41	2.0	14.13	2.0	15.72	2.0	15.76	2.0	15.72	2.0	14.93	2.0
HCR - Funding of Patient-Centered Outcomes Research Fee	0.32	0.0	0.31	0.0	0.20	0.0	0.30	0.0	0.30	0.0	0.32	0.0
Oregon Exchange Fee	29.41	3.2	\$19.86	2.8	19.10	2.4	14.51	1.8	16.68	2.1	19.56	2.6
Profit/margin	41.43	4.5	16.67	2.4	23.58	3.0	23.64	3.0	27.51	3.5	26.12	3.5
Total premium retention	158.52	17.2	129.35	18.3	114.63	14.6	117.34	14.9	130.39	16.6	116.16	15.6

Individual market retention - expenses detailed view

This table shows the detailed breakdown of the "expenses" line in the table above for the individual market.

	BridgeSpan		Kaiser		Moda		PacificSource		Providence		Regence BCBS	
	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.
Salaries and wages	38.00	4.1	48.80	6.9	31.09	4.0	34.11	4.3	44.47	5.7	26.55	3.6
Cost depreciation	5.65	0.6	0.03	0.0	3.72	0.5	0.52	0.1	0.20	0.0	4.88	0.7
Rent (occupancy)	0.76	0.1	2.14	0.3	1.79	0.2	0.32	0.0	1.02	0.1	0.58	0.1
Marketing and advertising	0.40	0.0	2.85	0.4	1.39	0.2	4.11	0.5	0.25	0.0	0.66	0.1
General office expenses	1.20	0.1	0.14	0.0	0.55	0.1	2.35	0.3	5.34	0.7	1.06	0.1
Third-party admin. expenses or fees	9.03	1.0	0.85	0.1	6.34	0.8	0.00	0.0	2.04	0.3	6.17	0.8
Legal and consulting fees	10.42	1.1	2.29	0.3	4.78	0.6	13.14	1.7	8.84	1.1	8.13	1.1
Traveling expenses	0.50	0.1	0.05	0.0	0.20	0.0	0.34	0.0	0.17	0.0	0.40	0.1
Total expenses incurred	65.96	7.2	57.16	8.1	49.86	6.3	54.90	7.0	62.34	7.9	48.43	6.5

Small group market retention

	HealthNet		Kaiser		Moda		PacificSource		Providence		Regence		UHC IC & UHC OR	
	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.
Expenses	51.22	7.6	60.79	10.1	41.03	5.9	54.65	8.2	66.76	8.3	42.22	6.2	90.20	12.6
Commissions	23.70	3.5	17.02	2.8	15.15	2.2	16.76	2.5	19.34	2.4	16.59	2.4	16.90	2.4
Vendor fees	0.00	0.0	0.00	0.0			0.00	0.0			9.12	1.3	0.00	0.0
Insurer fees	0.21	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0
Risk Adj. Prog. Fee	0.20	0.0	0.20	0.0	0.20	0.0	0.20	0.0	0.20	0.0	0.20	0.0	0.20	0.0
Oregon Premium Assessment	13.81	2.0	12.03	2.0	13.97	2.0	13.29	2.0	16.13	2.0	0.00	0.0	0.00	0.0
HCR - Funding of Patient-Centered Outcomes Research Fee	0.29	0.0	0.30	0.1	0.33	0.0	0.30	0.0	0.30	0.0	0.32	0.0	0.30	0.0
Oregon Exchange Fee	0.00	0.0	0.00	0.0			0.34	0.1	0.80	0.1	0.00	0.0	0.00	0.0
Profit/margin	0.00	0.0	3.01	0.5	0.00	0.0	13.29	2.0	28.23	3.5	17.14	2.5	12.60	1.8
Total premium retention	89.43	13.2	93.36	15.5	70.68	10.1	98.84	14.9	131.76	16.4	85.59	12.5	120.20	16.8

Small group market retention – expenses detailed view

This table shows the detailed breakdown of the “expenses” line in the table above for the small group market.

	HealthNet		Kaiser		Moda		PacificSource		Providence		Regence		UHC IC & UHC OR	
	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.	PMPM (\$)	% of Prem.
Salaries and wages	28.32	3.6	43.73	7.3	25.58	3.7	33.95	5.1	46.42	6.9	29.44	4.3	43.80	6.1
Cost depreciation	3.65	0.5	0.02	0.0	3.06	0.4	0.52	0.1	0.24	0.0	5.00	0.7	6.60	0.9
Rent (occupancy)	0.80	0.1	3.70	0.6	1.47	0.2	0.32	0.0	1.23	0.2	0.62	0.1	2.20	0.3
Marketing and advertising	0.31	0.0	2.02	0.3	1.15	0.2	4.09	0.6	0.32	0.1	0.43	0.1	3.30	0.5
General office expenses	2.13	0.3	0.66	0.1	0.45	0.1	2.34	0.4	6.23	0.9	0.86	0.1	3.90	0.5
Third-party admin. expenses or fees	9.02	1.3	8.98	1.5	5.23	0.8	0.00	0.0	2.46	0.4	6.00	0.9	8.10	1.1
Legal and consulting fees	6.78	1.0	1.65	0.3	3.93	0.6	13.08	2.0	9.50	1.4	8.52	1.2	20.80	2.9
Traveling expenses	0.21	0.0	0.04	0.0	0.16	0.0	0.34	0.1	0.37	0.1	0.48	0.1	1.50	0.2
Total expenses incurred	51.22	7.6	60.79	10.1	41.03	5.9	54.65	8.2	66.76	9.9	51.34	7.5	90.20	12.6

OHP BRIDGE - BASIC HEALTH PROGRAM, COST-SHARING REDUCTION PLANS, AND SILVER-LOADING

There is a complex interaction between two different federal subsidy programs and Oregon's newly created Basic Health Program, officially called OHP Bridge – Basic Health Program. In short, Marketplace silver-tier plans will have reduced premiums following implementation, but federal premium tax credits may simultaneously be reduced for enrollees in other plan tiers. For some individuals on bronze and gold Marketplace plans, this will result in a higher net monthly premium payment than before.

To explain how this interaction unfolds, we need to describe the different elements at play.

OHP Bridge - Basic Health Program

OHP Bridge is a program required by the legislature through House Bill 4035 (2022) and run by the Oregon Health Authority. It provides free health coverage for adults with annual income between 133 to 200 percent of the federal poverty level. More information available here: [OHP Bridge](#)

Cost-Sharing Reduction Plans

Cost-sharing reduction plans (CSR plans) are a type of silver plan required by the Affordable Care Act and are available for consumers with incomes under 250% of the federal poverty level (FPL). These plans have lower deductibles, co-pays, and other out-of-pocket expenses for low-income enrollees. Insurance companies are obligated to pay providers the difference in the reduced cost-sharing for eligible consumers who enroll in these plans. Prior to 2017, carriers would submit those expenses to the federal government for reimbursement. In 2017, however, the federal government stopped paying carriers to cover the costs of these subsidies.

Silver-loading

When the federal government stopped reimbursing cost-sharing reductions directly to carriers, states came up with a plan known as “Silver Loading”. To cover the costs of the missing CSR payments, additional costs are “loaded” onto silver plan premiums, which makes silver plans more expensive.

However, because silver plans are the basis for calculating Premium Tax Credits (PTC), the increased cost of the silver-loaded plans caused the overall tax credits provided by the federal government to increase as well. In summary, the silver loading strategy results in higher premium tax credits giving consumers higher purchasing power towards bronze and gold plans.

The effect of the BHP on Marketplace Tax Credits

Based on the eligibility criteria for the BHP, enrollment in CSR-eligible plans is anticipated to decrease until 2027. As that happens, the amount carriers need to pay to cover CSR plans goes down, so premiums for silver plans go down as well. As stated above, premium tax credits for Marketplace plans are tied to the cost of premiums for the silver plans. As the premium goes down, the available premium tax credits also go down. For some individuals on bronze and gold plans, the decrease in premium tax credits will result in a monthly premium payment that is higher than it was before.

Reinsurance and risk adjustment – individual

The Oregon Reinsurance Program and the federal Risk Adjustment Program both work to offset risk (costs) experienced by insurers, ultimately lowering premiums.

Reinsurance is based on claim costs – when claims exceed a certain value, an insurer can receive payments from the reinsurance program to offset that risk, ultimately keeping costs lower for consumers.

The federal Risk Adjustment Program is designed to distribute the impact of high-risk, low-probability events across the market. These numbers represent payments made to the insurer or contributions to the pool.

(In \$)	Risk Adjustment			Reinsurance	
Company	Experience (2024)	Actual (2024)	Projected (2026)	Experience (prelim. 2024)	Projected (2026)
BridgeSpan	0.2	0.5	0.3	0.04	0.2
Kaiser	(26.7)	(20.0)	(20.9)	14.5	8.5
Moda	8.4	8.8	8.3	28.0	36.2
PacificSource	14.1	12.0	8.0	20.3	15.7
Providence	24.9	16.9	14.3	28.3	27.0
Regence BCBS	(21.4)	(18.2)	(20.6)	24.9	27.5
Total	(0.4)	(0.0)	(10.6)	116.0	115.2

Values shown in millions

The small group market does not participate in the Oregon Reinsurance Program, so only Risk Adjustment Program data is shown

(In \$)	Risk Adjustment		
Company	Experience (2024)	Actual (2024)	Projected (2026)
Health Net	0.2	0.4	(0.3)
Kaiser	(10.8)	(8.9)	(11.0)
Moda	0.8	0.9	1.9
PacificSource	4.6	4.2	6.0
Providence	3.2	(2.7)	1.5
Regence BCBS	3.1	4.5	2.9
UHC	(0.7)	1.7	(0.3)
UHC of OR	-	-	-
Total	0.5	(0.0)	0.7

Values shown in millions

DFR RATE RECOMMENDATIONS

After a thorough review of the filed rates, DFR has recommended to approve the rates as requested. The table below details those recommended changes per insurer.

These recommended changes are formally communicated in DFR's preliminary decision documents, published on www.OregonHealthRates.org.

(In %)	Individual		Small Group	
Company	Original Request	Decision	Original Request	Decision
BridgeSpan	12.6	Approve as filed	-	Approve as filed
Kaiser	12.9	Approve as filed	6.6	Approve as filed
Moda	9.2	Approve as filed	11.7	Approve as filed
PacificSource	3.9	Approve as filed	5.2	Approve as filed
Providence	8.1	Approve as filed	21.5	Approve as filed
Regence BCBS	12.4	Approve as filed	7.3	Approve as filed
Health Net	-	Approve as filed	9.3	Approve as filed
UHC IC	-	Approve as filed	16.8	Approve as filed
UHC of OR	-	Approve as filed	19.8	Approve as filed
Average	9.7		11.5	