



August 28, 2015

Healthcare Reform Rulemaking Advisory Committee
Oregon Insurance Division
350 Winter St. NE
Salem, OR 97301-3883

Re: Rating methodology for Groups 51-100 in 2016

Dear Committee Members,

PacificSource has reviewed the Division's request to develop a means by which to ease the transition of groups size 51-100 from large group to small group health benefit plans in 2017. While we understand the Division's concern, we believe this approach would be problematic for the following reasons:

- Renewal Notices/quotes have already been sent to some groups of this size.
- The additional time required for rulemaking around the issue.
- The increase in administrative costs for carriers to incorporate any changes.
- Section 2 of HB 2466 (2015 Legislature) and the fact that plans will discontinue on October 1, 2017.

Ultimately, we believe this approach would be more disruptive than beneficial and do not support changes to the rating methodology for the Transitional Health Benefit Plans.

Please contact me at 541-684-5251 or Gary.Holliday@PacificSource.com if you have any questions or if we can provide any clarification of our comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gary Holliday", is written over a light blue circular stamp.

Gary Holliday
Corporate Legal and Compliance Manager