

Oregon Reinsurance Program

836-XXX-XXX1

Purpose and Statutory Authority

(1) The purpose of OAR 836-XXX-XXX1 to 836-XXX-XXX6 is to administer the Oregon Reinsurance Program established in the Department of Consumer and Business Services for the purposes of stabilizing the rates and premiums for individual health benefit plans and providing greater financial certainty to consumers of health insurance in this state.

Stat. Auth.: ORS 731.244 & 2017 Or Laws, ch 538, Sec. 19
Stats Implemented: 2017 Or Laws, ch 538, Secs. 18-21
Hist.: ID X-2018, f. & cert. ef. X-X-18

836-XXX-XXX2

Definitions

The terms used in OAR 836-XXX-XXX1 to 836-XXX-XXX6 have the meaning prescribed in section 19, chapter 538, Oregon Laws 2017 (Enrolled House Bill 2391) and:

- (1) “Benefit year” means a calendar year for which a reinsurance eligible health benefit plan provides health insurance coverage.
- (2) “Reinsurance eligible issuer” means an insurer or health care service contractor who offers a reinsurance eligible health benefit plan to reinsurance eligible individuals.
- (3) “Reinsurance eligible claim” means claims paid on behalf of reinsurance eligible individuals for services covered under the terms of a reinsurance eligible health benefit plan in a benefit year beginning on or after January 1, 2018.
- (4) “Reinsurance payment” means payments issued to a reinsurance eligible issuer in accordance with section 2(3), chapter 538 Oregon Laws 2017 (Enrolled House Bill 2391) and OAR-XXX-XXXX.

Stat. Auth.: ORS 731.244 & 2017 Or Laws, ch 538, Sec. 19
Stats Implemented: 2017 Or Laws, ch 538, Secs. 18-21
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836-XXX-XXX3

Information Reporting

(1) As a condition of receiving reinsurance payments from the Oregon Reinsurance Program, a reinsurance eligible issuer must provide, for each benefit year, the following information to the

~~July 31~~ September 28, 2017

1 Department of Consumer and Business Services in the form and manner prescribed by the
2 Department:

3
4 (a) The name and company code assigned to the reinsurance eligible issuer by the National
5 Association of Insurance Commissioners;

6
7 (b) The identification number assigned to the reinsurance eligible issuer by the Health Insurance
8 Oversight System (HIOS);

9
10 (c) The total amount of reinsurance eligible claims paid during the benefit year;

11
12 (d) The total amount of reinsurance eligible claims paid during the benefit year on behalf of
13 reinsurance eligible individuals that fall between the attachment point and reinsurance cap.

14
15 (e) A summary data file containing the following information for each reinsurance eligible
16 individual for whom reinsurance payments are being requested:

17
18 ~~(A) Identifying information for~~ (A) A unique identifying number assigned by the reinsurance
19 eligible issuer to the reinsurance eligible individual;

20
21 (B) The start and end dates of coverage for the reinsurance eligible individual;

22
23 (C) The HIOS plan identification number for the reinsurance eligible health benefit plan in which
24 the reinsurance eligible individual was enrolled;

25
26 (D) The total amount of reinsurance eligible claims paid on behalf of the reinsurance eligible
27 individuals during the benefit year; and

28
29 (E) The total amount of reinsurance eligible claims paid on behalf of the reinsurance eligible
30 individual for the benefit year that fall between the attachment point and reinsurance cap;

31
32 (f) A detailed claims file extracted from the reinsurance eligible issuer's claims processing
33 system that includes the issuer's complete record of all claims received on behalf of reinsurance
34 eligible individuals during the benefit year;

35
36 (g) An attestation signed by an executive officer of the reinsurance eligible issuer stating that the
37 information is accurate as of the date of submission; and

38
39 (h) Any other information requested by the department.

40
41 (2) As a condition of receiving reinsurance payments from the Oregon Reinsurance Program, a
42 reinsurance eligible issuer must submit the information required under this rule to the
43 Department:

44
45 (a) Using a secure method of transmission approved by the Department; and

46

1 | (b) On or before ~~March 31~~July 1 of the year following the benefit year for which the reinsurance
2 | payment is requested.

3
4 | Stat. Auth.: ORS 731.244 & 2017 Or Laws, ch 538, Sec. 19

5 | Stats Implemented: 2017 Or Laws, ch 538, Secs. 18-21

6 | Hist.: ID X-2018, f. & cert. ef. X-X-18

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8 | **836-XX-XXX4**

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10 | **Reinsurance Parameters**

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12 | (1) For the benefit year beginning on January 1, 2018 the Oregon Reinsurance Program will
13 | make payments in accordance with the following parameters:

14
15 | (a) An attachment point of \$95,000.

16
17 | (b) A reinsurance cap of \$1,000,000.

18
19 | (c) A coinsurance rate of fifty percent.

20
21 | (2) For the benefit year beginning on January 1, 2019 the Oregon Reinsurance Program will
22 | make payments in accordance with the following parameters:

23
24 | (a) An attachment point of \$90,000.

25
26 | (b) A reinsurance cap of \$1,000,000.

27
28 | (c) A coinsurance rate of fifty percent.

29
30 | Stat. Auth.: ORS 731.244 & 2017 Or Laws, ch 538, Sec. 19

31 | Stats Implemented: 2017 Or Laws, ch 538, Secs. 18-21

32 | Hist.: ID X-2018, f. & cert. ef. X-X-18

33
34 | **836-XX-XXX5**

35
36 | **Reinsurance Payments**

37
38 | (1) The Department of Consumer and Business Services will calculate the total reinsurance
39 | payment owed to ~~a participating~~each reinsurance eligible issuer.

40
41 | (a) The reinsurance payment made to each reinsurance eligible issuer for a benefit year will be
42 | the product of the coinsurance rate and the portion of total reinsurance eligible claims that fall
43 | between the attachment point and the reinsurance cap.

1 (b) If the total reinsurance payments calculated under paragraph (a) of this rule would exceed the
2 total dollar amount budgeted for the reinsurance program in a benefit year, the Department may
3 reduce the coinsurance rate for all reinsurance eligible issuers in that benefit year.
4

5 (2) The Department of Consumer and Business Services will issue reinsurance payments to all
6 reinsurance eligible issuers on an annual basis in the year following each benefit year.
7

8 | (3) Payments will be made directly to ~~participating~~ reinsurance eligible issuers via electronic
9 funds transfer.
10

11 Stat. Auth.: ORS 731.244 & 2017 Or Laws, ch 538, Sec. 19

12 Stats Implemented: 2017 Or Laws, ch 538, Secs. 18-21

13 Hist.: ID X-2018, f. & cert. ef. X-X-18
14

15 **836-XX-XXX6**

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17 **Duties of the Administrator**

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19 As administrator of the Oregon Reinsurance program, the Department of Consumer and Business
20 Services will:
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22 (1) Conduct an audit of the information submitted under 836-XXX-XXX3.
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24 (2) Notify reinsurance eligible issuers of the results of the calculation described under 836-XX-
25 XXX5, including any modifications of the coinsurance rate.
26

27 (3) Issue reinsurance payments to each reinsurance eligible issuer in accordance with OAR 836-
28 XXX-XXX5.
29

30 Stat. Auth.: ORS 731.244 & 2017 Or Laws, ch 538, Sec. 19

31 Stats Implemented: 2017 Or Laws, ch 538, Secs. 18-21

32 Hist.: ID X-2018, f. & cert. ef. X-X-18
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