

Fall 2020

COMMON GROUND



Working together to help Oregonians fulfill their financial goals

Administrator's Avenue



2020 continues to be a challenging year for many of us. COVID-19 and the state's historic wildfire season has affected all of us in some way. Here at the Division of Financial Regulation, we have worked hard to maintain a consistent level of service to our regulated business

partners and to Oregonians affected by the pandemic and wildfires.

We issued several emergency orders this year, and are thankful for the collaboration from our insurance, financial services, and consumer stakeholders that helped us work through some of these trying times. Your honest input paved the way for instituting these regulations to help Oregonians find peace of mind and work through the recovery process.

The emergency orders have expired, but it is important for all of us to continue to take an active role in protecting Oregonians from the pandemic and recovering from the wildfires.

The division is committed to helping Oregonians through each stage of the wildfire recovery process. To do that we are actively developing and sharing several resources.

The [division's wildfire insurance resources page](#) is available in English and Spanish. The site provides:

- Information about the claims process
- Insurance claims tips
- Advice for protecting your finances, avoiding scams, and preparing for the next disaster

In addition, Andrew Stolfi, the Oregon insurance commissioner, has hosted [two virtual town halls](#) covering several important topics and answering questions submitted by Oregonians.

We also understand that the COVID-19 pandemic continues to affect almost every aspect of our daily lives. We will continue to monitor and respond to this worldwide pandemic to support Oregonians. Part of that work is our telehealth listening sessions. These sessions give us the opportunity to reflect on what we have learned, the successes we have seen, and the opportunities to improve the expanded telehealth services and coverage that we have adapted to this year. Remember, we still have COVID-19 information and resources available on our home page at dfr.oregon.gov.

We appreciate your collaboration during this time and all of your efforts to support Oregonians in the midst of this challenging year.

Enjoy this edition of Common Ground.

TK Keen
Acting Administrator
Oregon Division of Financial Regulation

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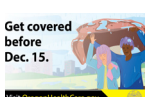
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Wildfire insurance virtual town hall

Thursday, Nov. 12, at 11 a.m.

Commissioner Stolfi hosts virtual wildfire insurance town halls

Oregon Insurance Commissioner Andrew Stolfi recently hosted two statewide virtual wildfire insurance town halls.

He was joined by representatives from the Oregon Division of Financial Regulation to answer questions about wildfire insurance, the claims process, and how the division can help Oregonians.

Everyone affected by the wildfires can watch both of the town halls by visiting the division's [video webpage](#).

“Our goal for the wildfire town halls is to provide Oregonians with important information they can use right now to take some initial steps toward recovery,” said Stolfi, who is also the director of the Department of Consumer and Business Services. “Recovery takes time, but we are here to help Oregonians through every phase of their insurance claim.”

Oregonians were asked to submit questions before each town hall. The commissioner and division

representatives answered several of the questions and discussed other important issues such as the claim process, scams, and handling debris removal.

The town halls were recorded and captioned in English and Spanish for people who have difficulty hearing, as well as many of those who are not native English speakers.

Oregonians are encouraged to visit the [division's wildfire insurance page](#) for resources and contact information to help answer many wildfire insurance questions. The division is also prepared to help people in any language they choose. Visit dfr.oregon.gov/help for more information.





Two insurance companies fined for COVID-19 emergency order violations

The Oregon Department of Consumer and Business Services issued civil penalties against Allstate Insurance Company and Root Insurance Company for violating the department's COVID-19 emergency orders. The department's Division of Financial Regulation handled the enforcement of the emergency orders.

Both insurers violated the state's insurance emergency orders by either canceling or nonrenewing policies held by Oregonians while the emergency orders were in effect.

The emergency orders were in effect from March 25 to Sept. 20, 2020. They required insurance companies to provide grace periods for paying premiums and prevented companies from canceling or nonrenewing Oregonians policies.

Allstate was fined \$50,000 for issuing cancellations or nonrenewals for nonpayment of premium on 84 Oregon insurance policies. Root Insurance was fined \$10,000 after its computer system automatically sent notices of nonrenewal to 100 people after their driving frequencies decreased. Both companies made efforts to reinstate the policies.

Several COVID-19 protections remain in effect for Oregonians. For details on COVID-19 rules and resources on health insurance and financial services, such as mortgages, visit the division's [COVID-19 consumer page](#) or call 888-877-4894 (toll-free) for more information.

The department is also managing the State of Oregon COVID-19 Temporary Paid Leave Program. The program is available to people who need to quarantine or isolate because of COVID-19 exposure or are experiencing symptoms and need a medical diagnosis, but do not qualify for COVID-19-related paid sick leave. Visit the [COVID-19 Temporary Paid Leave Program page](#) or call 833-685-0850 (toll-free) for more information.

For more information on the division's insurance and financial services enforcement actions, check out its quarterly summaries page – [Taking Action](#).



State of Oregon releases final rate decisions for 2021 health plans



The Oregon Division of Financial Regulation released final rate decisions for 2021 health insurance plans earlier this year. The plans are for small businesses and individuals who buy their own health insurance. The division reviews and approves rates through a detailed and transparent process before they can be charged to policyholders.

The final decisions are based on the result of a rigorous review, which included public hearings and public comment. The division published preliminary decisions last month before the hearings. These hearings provided an opportunity for the public, health insurance companies, and the division to further review and analyze the preliminary decisions.

“We continue to be encouraged by the results of the Oregon Reinsurance Program,” said Andrew Stolfi,

insurance commissioner and Department of Consumer and Business Services director. “It has led to lower rate increases each year, more carriers expanding their coverage statewide, and more health insurance options for Oregonians.”

Open enrollment for 2021 plans continues until Dec. 15, 2020.

Individual market

The division has issued final decisions for six companies in the individual market with average rate changes ranging from a 3.5 percent decrease to an 11.1 percent increase, for a weighted average of a 1.8 percent increase. Under the decisions, Silver Standard Plan premiums for a 40-year-old in Portland would range from \$425 to \$466 a month.

The rate changes are companywide averages based on premiums for plans before financial assistance through the Oregon Health Insurance Marketplace is taken into account.





All Oregonians who purchase their own insurance are encouraged to apply for assistance through the Marketplace for 2021, even if they did not qualify last year. Approximately 72 percent of Oregonians who enrolled through the Marketplace for health coverage in 2020 qualified for help paying their premium. People who received help with the costs of their health insurance paid on average \$138 a month.

Small group market

In the small group market, the division has issued final decisions for nine companies with average rate changes ranging from a 1.1 percent decrease to a 7.0 percent increase, for a weighted average of 3.7 percent increase. Under the decisions, Silver Standard Plan premiums for a 40-year-old in Portland would range from \$335 to \$405 a month.

[See our chart for a full list of final decisions](#)

Facts for 2021:

- All 36 Oregon counties will have at least two on-exchange options and at least three total options for its residents.
- The Oregon reinsurance program continues to help stabilize the market – lowering rates by 6 percent for the third straight year.
- COVID-19 was not considered as part of 2021 rates because it is too early to understand the effect of COVID-19 relief efforts.

Proposed final decisions for each carrier can be found at oregonhealthrates.org. [Statewide premium comparison tables](#) for ages 21, 40, and 60 are also available.

More Oregonians eligible for financial assistance to purchase health insurance



are temporarily uninsured, they can sign up for help by the Dec. 15 deadline to get health insurance for next year.

“A pandemic is no time to go without health insurance and the essential health benefits that come with it,” said Chiqui Flowers, administrator of the Oregon Health Insurance Marketplace. “You can get help paying for health insurance based on your income. Don’t assume you make too much to be eligible.”

Pandemic-related job losses have increased the number of Oregonians eligible for help paying for health insurance. The Oregon Health Insurance Marketplace estimates thousands of Oregonians may be newly eligible.

In recent years, Oregon had made great strides in reducing the uninsured rate. Before the COVID-19 pandemic, 94 percent of all Oregonians had health coverage. Since the pandemic, thousands of Oregonians either have lost their job or have experienced a loss in income. As a result, these Oregonians may be newly eligible for financial help to purchase health insurance.

Insurance agents and community partner organizations throughout the state are available to help with applying for financial assistance and choosing private plans. Consumers can also browse plans and find out how much savings they are eligible for by going to OregonHealthCare.gov/WindowShop.

Oregonians who do not get health insurance through their job or a program such as the Oregon Health Plan or Medicare may qualify for help paying for 2021 coverage through OregonHealthCare.gov. Even if people

Individuals making \$51,040 or less per year, and families of four making \$104,800 or less, may get help paying for coverage. In 2020, more than seven in 10 Oregonians who chose plans through HealthCare.gov got financial help for monthly premiums and out-of-pocket costs. These savings lowered the average premium to just \$145 per month.

To apply, consumers can go to OregonHealthCare.gov before Dec. 15 and answer a few Oregon-specific questions to get to the right application. Or they can search the “get help” directory on the site to find an insurance agent or community partner organization who can help them complete the application and enroll. Insurance agents and community partners provide local, one-on-one assistance at no charge to the client. This help is available virtually and over the phone, and in person following safety protocols.



Health equity for culturally specific groups

Health equity is an important focus at the Oregon Department of Consumer and Business Services. Open enrollment is a good time to highlight some of the equity-focused work the Oregon Health Insurance Marketplace implements for culturally specific groups.

The Oregon Marketplace works with Oregon's nine federally recognized tribes and other organizations to promote the low-cost and no-cost health coverage options available to enrolled tribal members. When enrolled in health coverage through the Marketplace, members of federally recognized tribes can still get care at a tribal clinic, as well as enhanced benefits through other health clinics, providers, and facilities.

Members of federally recognized tribes and their families can enroll in the Marketplace coverage at any time throughout the year, with a limit of once per month.

Citizens of the Republic of Marshall Islands, the Federated State of Micronesia, and the Republic of Palau who have entered the United States under

the Compact of Free Association (COFA) treaty, live in Oregon, and meet other eligibility criteria can receive free health insurance under the COFA Premium Assistance Program.

Under the program, the State of Oregon pays for the enrollee's share of premiums for standard silver-level health insurance plans purchased through [HealthCare.gov](https://www.healthcare.gov). The plans cover doctor visits, emergency care, preventive care (such as mammograms and screenings for blood pressure and diabetes), prescriptions and much more. Enrollees are also eligible to receive reimbursement for out-of-pocket costs.

The Marketplace provides outreach information in printed materials and video format in the COFA islands' languages of Chuukese, Marshallese, Palauan and Pohnpeian. To learn more, visit OregonHealthCare.gov/COFA.

Most costly drugs in Oregon



Cancer and rheumatoid arthritis drugs continue to be the most costly

At \$43,525 per prescription, the brand-name drug Yervoy, used to treat melanoma, is the most expensive prescription drug for Oregon health insurance carriers, based on data released by the Oregon Division of Financial Regulation.

For the second year in a row, the brand-name drug Humira, commonly used to treat rheumatoid arthritis, was the most costly prescription drug reported by Oregon's health insurance companies, as well as the most prescribed specialty drug. Its 17,435 prescriptions in Oregon cost insurance companies approximately \$81 million.

The division also released data on the most costly and most prescribed generic medications. These prescriptions typically cost less than comparable brand names. Glatiramer, used to treat multiple sclerosis, was the most expensive generic drug reported, costing insurance companies approximately \$2,800 per prescription. Dextroamphetamine, a common drug for attention deficit disorder, was the most costly generic prescription for Oregon insurers; claims for this drug total more than \$6 million annually. Levothyroxine,

used to treat thyroid activity, is the most prescribed generic with approximately 232,000 prescriptions statewide.

“The data from our insurers is an important piece to understanding which prescription drugs have the biggest effect on our health care costs; we appreciate their willingness to share this information,” said Andrew Stolfi, insurance commissioner and director of the Department of Consumer and Business Services. “The more data we receive, the better informed all of us are, That is why consumer reporting is an important piece of our drug transparency program, especially leading up to the public hearing.”

On Tuesday, Dec. 15, the division will host a virtual public hearing on prescription drug prices. Oregonians are encouraged to participate by asking questions and sharing their stories of how prescription drug prices have affected them. Visit [Questions and stories on prescription drug prices](#) to post questions and share your experience.

Responses will be used to prepare for the public hearing. The questions and stories will be shared with legislators at the hearing, but personally identifiable information will be kept anonymous.

The division released lists of the most expensive, most costly, and most prescribed drugs that are reported annually by health insurance companies offering individual and small group plans in Oregon.

To determine what insurers paid on average for each prescription and to identify the most expensive prescriptions, the program team examined claims data for drugs prescribed to 10 or more enrollees and compared the total dollars spent by insurers to the corresponding prescription counts for each drug.

To learn more about the program or view the most expensive, most costly, and most prescribed drug lists, visit the program's website: dfr.oregon.gov/drugtransparency.

Community Bank Week recognizes a vital member of Oregon communities



Oregon Gov. Kate Brown proclaimed Oct. 19–23 as Community Bank Week. The week honored local banks and their employees for their economic and civic contributions in communities across the state.

Oregon community banks provide more than 7,200 family wage jobs, \$3.7 billion in home purchase and refinance loans, and safeguards \$35.5 billion in deposits.

Oregon’s community banks, most of which are chartered by the Department of Consumer and Business Services, play an essential role in promoting the economic health and prosperity of the state. In some communities, they are the sole provider of banking products and services and sometimes the largest employer.

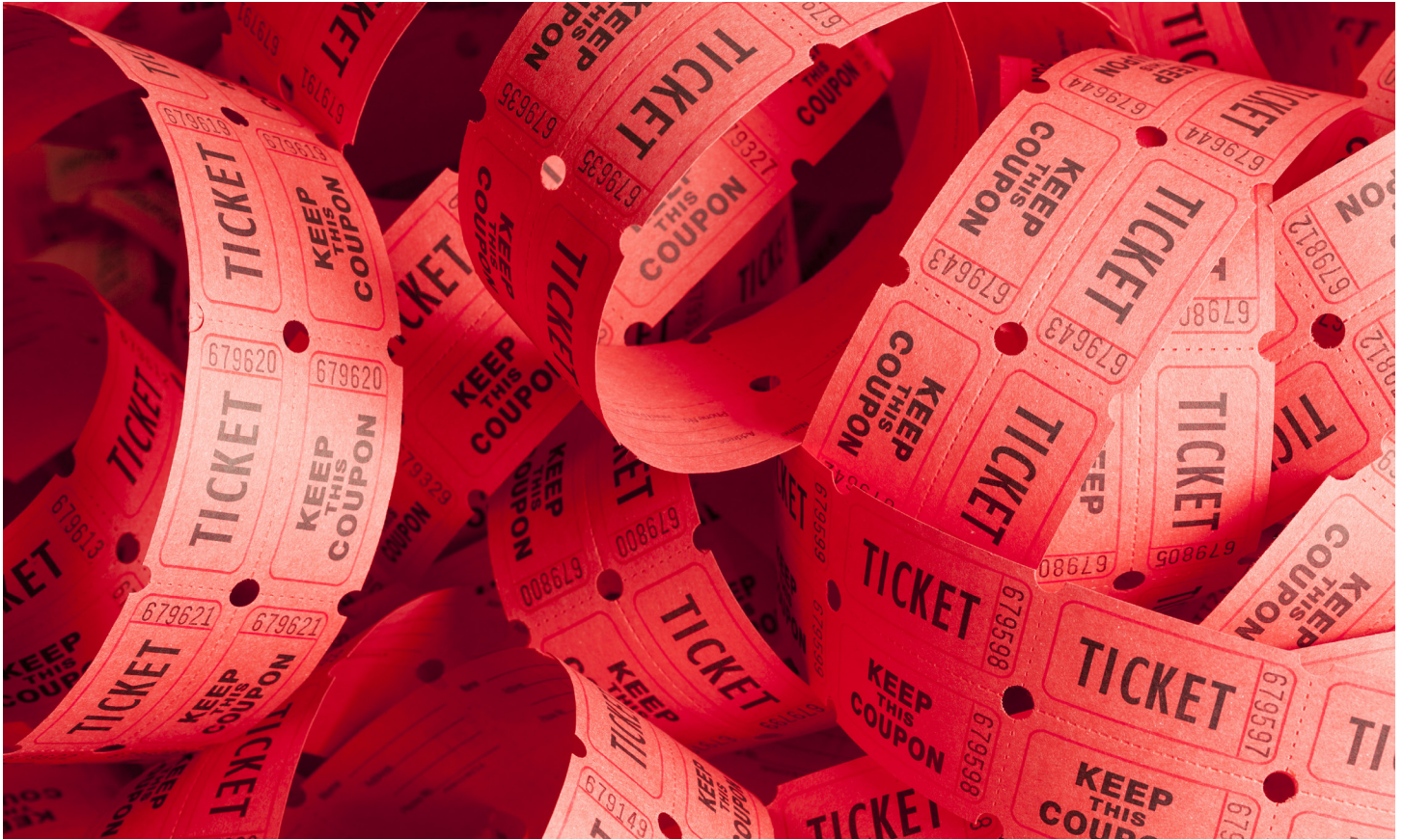
“Our state banks are a major financing source for Oregonians in every corner of the state; they create jobs, support small businesses, and back 80 percent of the state’s agriculture,” said Andrew Stolfi, DCBS director. “Their commitment to this state is evident

through the thousands of volunteer hours and the millions they have pledged to support people affected by COVID-19, the wildfires, and racial inequality.”

State-chartered banks throughout Oregon celebrated Community Bank Week in their local neighborhoods. To learn more about Oregon’s state-chartered banks, go to Oregonbankers.com.



The legalities of charitable gaming activities



The Division of Financial Regulation received reports of licensees conducting raffles to benefit charity. Please be aware that under Oregon law, an entity must be exempt from paying federal income taxes in order to conduct charitable gaming, even if the proceeds are intended for a charity. Raffles, in addition to other charitable gaming activities, are regulated by the Oregon Department of Justice.

It is important to thoroughly review statutes and administrative rules about gaming. Here are some general tips about these events:

- The only organizations that qualify to conduct bingo, raffles, or Monte Carlo events in Oregon are those that are exempt from the payment of federal income taxes. This includes public agencies and public schools. Private organizations may also qualify if they are active, nonprofit organizations

exempt from the payment of federal income taxes. In addition, an organization must have held tax exempt status for at least one year and been engaged in its charitable, fraternal, or religious purpose during that time. See ORS 464.270(1)(b)

- Generally, all nonprofit organizations wanting to operate bingo, raffle, and Monte Carlo events are required to have licenses issued by the Oregon Department of Justice. See OAR 137-025-0040

Source: *Oregon Department of Justice* - [How to hold a raffle](#)

Before holding raffles, including drawings, bingos, and wheel-spins, contact the Charitable Activities Section of the Department of Justice at 971-673-1880 or charitable.activities@doj.state.or.us.

BULLETINS

Guidance for health benefit plan external review requests

The bulletin provides operational guidance and clarification on the external review process for individual and group health benefit plans in Oregon. It clarifies the division's expectations of health insurers.

[Division of Financial Regulation Bulletin 2020-15](#)

Consumer disclosure requirements for personal auto policies with step-down limits

This provides guidance to auto insurers issuing personal lines policies with step-down limits by outlining necessary disclosures to inform consumers of the extent of coverage.

[Division of Financial Regulation Bulletin 2020-19](#)

Wildfire emergency order

The director of the Department of Consumer and Business Services issued an emergency order for people affected by the state's wildfires. The order was in effect through Monday, Nov. 16, 2020, and applied to people residing in several ZIP codes across the state. It required insurers to extend all deadlines for reporting claims, establish a grace period for premium payments, and suspend cancellations and nonrenewals.

[Department of Consumer and Business Services' Wildfire Emergency Order](#)

Health insurance expectations related to wildfires

The bulletin clarifies the division's expectations for health insurers in the wake of recent wildfires. Insurers should take all practicable steps to ensure people and businesses affected by the wildfire are

covered for replacement medical supplies and prescriptions, granted exceptions for in-network requirements, provided flexibility to medical providers for filing claims, and make replacement documents available to members.

[Division of Financial Regulation Bulletin 2020-17](#)

Property and casualty insurer expectations related to wildfires

The bulletin clarifies the division's expectations for property and casualty insurers in the wake of recent wildfires. Insurers should take active steps to help people and businesses affected by wildfires. Measures include providing advance payments for additional living expenses, expedite auto claims and payments for business interruption claims, accept inventory forms that contain similar information to company-specific forms, and allow for groupings of certain types of personal property categories, such as clothing and books.

[Division of Financial Regulation Bulletin 2020-18](#)

Affected areas subject to the Oct. 18 wildfire emergency order

The bulletin lists the ZIP codes that make up the affected areas subject to the Oct. 18, 2020, wildfire emergency order.

[Division of Financial Regulation Bulletin 2020-20](#)

