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Insurance Division to hold June 2 hearing on rate request *Regence seeks 22.1 percent increase*

(Salem) — The Oregon Insurance Division will hold a June 2 public hearing on a 22.1 percent health insurance rate increase requested by Regence BlueCross BlueShield of Oregon.

The proposed rate increase would take effect Aug. 1 and applies to more than 59,000 policyholders who have individual health plans. These are plans for people who don't get coverage at work. The requested increase does not apply to group members such as those with employer plans.

The proposed 22.1 percent increase is an average and a particular policyholder's rate could go up more or less, depending on a variety of factors.

"This is a significant increase impacting a large group of policyholders who have seen a series of large increases in recent years, as well as a redesign of their health plans," Insurance Division Administrator Teresa Miller said. "We believe the public wants to hear what's driving the increase and have an opportunity to weigh in."

The hearing will be from 4:30 to 7 p.m. at University Place at Portland State (310 SW Lincoln Street, Portland). This is a change from the previous location announced. Once Regence outlines its proposed increase, public testimony will be accepted. OSPIRG, an advocacy group the division funds to comment on behalf of consumers, will be invited to submit questions in advance and the division will request that Regence respond to those questions. OSPIRG will also be invited to testify at the hearing.

The division already has a 30-day public comment period for all rate requests and posts all insurance company documents related to rate requests on its website. Consumers who cannot attend the hearing can still comment online, as usual. Once the comment period closes June 15, the division will review all filing documents and public comments and make its decision. It can approve or deny the request or approve a lesser rate.

The division approves rates for individual plans purchased by the self-employed and others who are not covered through an employer, small employer (50 or fewer employees) plans and portability coverage for some Oregonians who are leaving group coverage. About 12 percent of Oregonians have these types of plans.

Staff must find that a rate is reasonable in relation to the plan's benefits – in other words, that the policy is fairly priced. The department looks at such factors as the recent and future costs of medical care and prescription drugs, the company's financial strength and administrative costs, and the company's overall profitability.

With the requested increase, Regence expects to make 1.1 percent beyond what is needed to pay claims and administrative costs. The Insurance Division's staff will examine the company's numbers and assumptions as part of its review.

Here are links to additional information:

- Regence [documents](#) outlining the company's rate request
- Information on Oregon's rate review process, a chart of recent rates, and a fact sheet on what premiums cover can be found at www.tinyurl.com/orhealthrates. You can also find the Regence documents from this page by using the search feature.

Also, the division e-mails consumers who want to be notified when their insurance company requests a new rate and again when the division makes a decision. Sign up for [e-mail notification](#).

Questions about rate review? Call a consumer advocate at 1-888-877-4894 or, in Salem, 503-947-7984.

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