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State awards contract to OSPIRG for input on health insurance rates *Consumer group to participate in public hearings*

(Salem) — The Department of Consumer and Business Services (DCBS) recently awarded a consumer group a three-year contract to continue to offer input on health insurance rate requests on behalf of consumers.

The Oregon State Public Interest Research Group (OSPIRG) Foundation will receive \$315,000 in federal grant funds to provide analysis through September 2014 on insurance company rate requests. In September 2011, the Oregon Legislature's Interim Joint Committee on Ways and Means approved the grant funding for the DCBS' Insurance Division.

As part of its contract, OSPIRG Foundation will participate in public hearings, which the department now schedules for rate requests involving insurance markets for small employers and individuals who buy coverage on their own directly from an insurer. These markets represent more than 400,000 Oregonians who are considered the most vulnerable insurance buyers because they lack the negotiating power of large groups.

Since late 2010, DCBS has used federal grants available through the Affordable Care Act to bolster public input on rate requests. OSPIRG Foundation was awarded the three-year contract through the state's competitive process for submitting proposals. The group reaches out to other community organizations, small businesses, and citizens concerned with health care coverage, and works with an advisory board to ensure broad representation of consumers and small businesses.

"OSPIRG offers another way for consumers to participate in our review of insurance company rate requests," Acting Insurance Division Administrator Lou Savage said.

In its contract proposal, the group indicated it would be seeking less than the full amount of potential grant funds because it has successfully gained nongovernment money to support its rate advocacy.

"We are extremely pleased that OSPIRG is building a program that will sustain itself after federal grants end," Savage said.

Health insurance rate increases are driven largely by health care costs. Rates continue to increase for the small group market. In 2011, the average rate increase was 6.6 percent, the first time in recent years it wasn't a double-digit figure. The Insurance Division is working with other state agencies on broader reforms aimed at improving health while lowering health care costs.

Meanwhile, Oregonians can visit www.oregonhealthrates.org to sign up for e-mail notifications when their company files for a rate request. This same webpage provides a public hearing schedule, more information on how the department reviews rates, and detailed financial information on Oregon's seven-largest health insurers.

The Insurance Division is part of the Department of Consumer and Business Services, Oregon's largest business regulatory and consumer protection agency. Visit www.dcbs.oregon.gov. **Follow DCBS on Twitter:** <http://twitter.com/OregonDCBS>. Receive consumer help and information on insurance, mortgages, investments, workplace safety, and more.