



MEMORANDUM

March 26, 2018

To: Cameron Smith, Director, Department of Consumer and Business Services

From: Chiqui Flowers, Administrator, Health Insurance Marketplace

Subject: Recommendation to approve 2019 Marketplace assessment rates

Issue

ORS 741.105 requires that the Department of Consumer and Business Services (DCBS) establish and collect an administrative assessment from all Oregon insurers and state programs participating in the health insurance exchange. The statute also requires that the Health Insurance Exchange Advisory Committee advise the department in establishing the assessment fee.

The Oregon Health Insurance Marketplace division of DCBS administers Oregon's health insurance exchange and partners with the Federally Facilitated Marketplace (FFM) for enrollment and eligibility determination. The assessment funds marketplace administrative and operational expenses, as well as grants to navigators, in-person assisters, and application counselors certified under ORS 741.002. The assessment is calculated for each insurer per-member-per-month (PMPM) based on the number of individuals who have effectuated enrollment in health insurance policies through the FFM. OAR 945-030-0020 requires a report on the proposed assessment, a public hearing, and a decision by the DCBS director on the assessment rates for the following calendar year by March 31.

The advisory committee convened on Feb. 13, 2018 to discuss the assessment for CY 2019. The marketplace and the DCBS Finance Services Section prepared an assessment memo of marketplace expenditures and possible enrollment patterns to estimate the required assessment to cover marketplace expenditures. The assessment consists of two rates for plans sold through the FFM: one for qualified health plans (QHPs) and another for standalone dental plans (SADPs). The previously established assessment rates for CY 2018 were \$6 PMPM for QHPs and 57 cents PMPM for SADPs.

Based on the estimates in the assessment memo, the advisory committee concurred with the marketplace's proposal to keep the 2019 assessment rate for QHPs and SADPs sold through the marketplace at \$6 and 57 cents per member per month, respectively – the same rate that was applied in 2018. Because this rate is already established in OAR 945-030-0030, an amendment to the current administrative rule is unnecessary.

DCBS held a public comment period from Feb. 16, 2018, to March 23, 2018. A public hearing was also held on March 23, 2018. No comments on the proposed assessment rates were received

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during the comment period or at the hearing.

The marketplace recommends that the assessment rates of \$6 PMPM for QHPs and 57 cents PMPM for SADPs for Oregon health insurance policies sold through the FFM be approved for CY 2019.

Approved: _____

Handwritten signature of Cameron Smith in cursive script, written over a horizontal line.

Cameron Smith, Director
Department of Consumer and Business Services