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ARCHIVES DIVISION

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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 945
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
HEALTH INSURANCE MARKETPLACE

FILED

02/14/2020 11:00 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: 2021 Health Insurance Marketplace Qualified Health Plan and Stand Alone Dental Plan Annual Assessment Rates

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 03/31/2020 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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350 Winter St. ne
Salem, OR 97301

Filed By:
Victor Garcia
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 03/25/2020

TIME: 10:00 AM

OFFICER: Victor Garcia

ADDRESS: Labor and Industries

Building, Basement Room E

350 Winter St. NE

Salem, OR 97301

SPECIAL INSTRUCTIONS:

Dial-in: 1 (866) 377-3315

Participant code: 6273 530

NEED FOR THE RULE(S):

ORS 741.105 requires the Department of Consumer and Business Services (DCBS) to establish assessment rates for qualified health plans and stand alone dental plans sold through the health insurance marketplace. The assessment is the funding source for the Oregon Health Insurance Marketplace's operations and support for qualified health plan enrollment. These rates are reviewed annually, adjusted based on budget and enrollment projections, and updated by amending 945-030-0030.

The amendment maintains the assessment rates of \$5.50 per member per month (PMPM) for qualified health plans and \$0.36 PMPM for stand-alone dental plans in calendar year 2021.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

ORS 741.102 and 741.105, the text for both statutes are available through the Oregon Legislature's website:
www.oregonlegislature.gov

Department of Consumer and Business Services document: Oregon Health Insurance Marketplace Report - CY 2021

FISCAL AND ECONOMIC IMPACT:

This assessment funds all of the Marketplace's operations and support for qualified health plan enrollment, and the direct fiscal impact to the Marketplace and the Department of Consumer and Business Services (DCBS) is accounted for in budget forecasts and enrollment projections. After agency fiscal analysis, the proposed rates have been determined to be the most efficient amounts for continued Marketplace operations entering the 2021 calendar year, striking a balance for the lowest probability of either a funding deficit or unnecessary surplus. The rates are assessed annually and adjustments can be made each year.

Since the proposed 2021 rates are the same as those in 2020, there is no expected fiscal or economic impact.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

(1) The changes to the rule will not impact state agencies other than DCBS or units of local government. DCBS is proposing these rates based on economic models and budget projections. Members of the public purchasing insurance through the Marketplace and individual insurance carriers participating in the marketplace should see no related economic impact.

(2)(a) This rule does not impact small businesses directly, and has no indirect impact we have been able to identify

(b) There are no additional reporting, recordkeeping or administrative activities or costs required to comply with the rule;

(c) There are no additional professional services, equipment supplies, labor, or increased administration required to comply with the rule amendments

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

Though the rule does not apply to small businesses, a member of the rule advisory committee is a small business owner.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

AMEND: 945-030-0030

RULE SUMMARY: The amendment to 945-030-0030 maintains the assessment rate of \$5.50 for qualified health plans per member per month (PMPM) and \$0.36 for stand-alone dental plans PMPM in calendar year 2021.

CHANGES TO RULE:

945-030-0030

Administrative Charge on Insurers and Health Care Service Contractors ¶¶

(1) Effective January 1, 2015, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$9.66 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.97 times the number of members enrolled through the Marketplace in that month.¶¶

(2) Effective January 1, 2016, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$9.66 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.97 times the number of members enrolled through the Marketplace in that month.¶¶

(3) Effective January 1, 2017, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$6.00 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.57 times the number of members enrolled through the Marketplace in that month.¶¶

(4) Effective January 1, 2018, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$6.00 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.57 times the number of members enrolled through the Marketplace in that month.¶¶

(5) Effective January 1, 2020, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$5.50 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.36 times the number of members enrolled through the Marketplace in that month.¶¶

(6) Effective January 1, 2021, each health insurer or health care service contractor offering:¶¶

(a) Qualified health plans through the Marketplace shall pay a monthly administrative charge equal to \$5.50 times the number of members enrolled through the Marketplace in that month.¶¶

(b) Stand alone dental plans through the Marketplace shall pay a monthly administrative charge equal to \$0.36 times the number of members enrolled through the Marketplace in that month.

Statutory/Other Authority: ORS 741.002

Statutes/Other Implemented: ORS 741.105