

# Oregon Health Insurance Marketplace

## Agent Newsletter

### [DCBS posts final rate decisions for 2018 health plans](#)

Small businesses and individuals who buy their own health insurance can now see the final approved rates for 2018 health insurance plans. The Department of Consumer and Business Services, Division of Financial Regulation must review and approve rates before they can be charged to policyholders.

These final decisions are the result of the division's rigorous review process, which included public conference calls, public hearings, and public comment. The division published preliminary decisions 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.

The final decisions are primarily unchanged from the preliminary decisions, with the exception of Providence Health Plans individual rates, which increased by an additional 2.2 percent to a total increase of 10.8 percent. This final proposed increase is still significantly less than Providence's original request for a 20.7 percent increase. This increase was due to clarifying information provided by Providence during the hearings that justified the change.

In the individual market, the division has issued final decisions for seven companies with average rate changes ranging from a 1.6 percent decrease to a 14.8 percent increase. Under the final decisions, Silver Standard Plan premiums for a 40-year-old in Portland would range from \$355 to \$452 a month. These premiums are for plans before financial assistance through Oregon's Health Insurance Marketplace is taken into account.

The rate changes are company-wide averages. Individuals may see different changes in 2018 depending on their specific plan choices.

"Although health insurance premiums will be increasing in 2018, for many Oregonians those increases will be offset by corresponding increases in financial help available through Oregon's Health Insurance Marketplace," said DCBS Director Patrick Allen. "Still, we know a large number of Oregonians who do not receive help will see increased costs. We are committed to continuing to work on reforms that make insurance affordable to more people."

All Oregonians who purchase their own insurance, even those who do not receive financial

comment. These rates are for Lane and Tillamook counties. The company did not originally file rates for those counties, but reconsidered and filed rates to expand back into the counties.

Reasons for the rate changes include:

- The new Oregon Reinsurance Program. This program reduced individual market rates by 6 percent, and added a 1.5 percent increase to the small group market.
- Federal weakening of the individual mandate enforcement. This increased rates by 2.4 percent and 5.1 percent.
- Medical costs continue to rise, driven by increased use and the cost of new specialized prescription drugs.
- The cost of providing care continues to surpass premiums collected for many carriers.

In 2018, most counties will have at least two carriers both on and off the Marketplace and at least one carrier exclusively off the Marketplace. Two counties, Douglas and Lincoln, have only one carrier on and off the Marketplace and one carrier off the Marketplace. County coverage information is available [here](#).

"We remain concerned about the limited health plan choices some counties are facing, and will work with insurance companies throughout the next year to try to increase competition throughout the state in 2019," said Allen. "An important first step taken by the state is the creation of the Oregon Reinsurance Program. Without this program, we would be seeing counties with no Marketplace plans, and much larger rate increases for those who purchase insurance on their own in 2018."

Developed by Oregon Gov. Kate Brown and stakeholders, and recently approved by the Legislature, the Oregon Reinsurance Program is designed to stabilize the individual market, reduce rates, and encourage insurance companies to offer plans in more parts of the state. Reinsurance spreads the risk of high-cost claims so that no one carrier takes on a disproportionate share of this risk. The program is partially funded by a portion of a new 1.5 percent assessment on all commercial insurance plans.

Final rates, a summary of the state of the individual market, and the final decision information for each carrier can be found at [www.oregonhealthrates.org](http://www.oregonhealthrates.org). Statewide premium comparison tables for ages 21, 40, and 60 will be posted online in August.



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