



NEWS

Oregon Legislature - House Democratic Caucus

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House takes action to control insurance company rate hikes

House Democrats stand up for small businesses, families; hold insurance companies accountable

SALEM – Today the Oregon House of Representatives voted to defend Oregonians from unfair health insurance rate hikes.

Senate Bill 413B takes several important steps to increase transparency and hold down health insurance costs. The legislation would enhance the public's ability to participate in Oregon's successful rate review program and create standards that will help evaluate the reasons for rising medical costs.

"We need to hold insurance companies accountable for any excessive rate increases and push the Insurance Division to hold down costs," said Representative Mitch Greenlick (D – Portland), chair of the Health Care Committee. "This bill will encourage insurance companies to join the battle currently being waged to improve health care delivery and bring down costs in Oregon."

Senate Bill 413B will improve the initial filing process so that more consumers know about potential increases; strengthen the rate review process to prevent insurance companies from demanding exorbitant rates; and evaluate insurers' cost containment efforts in order to ensure that Oregon's rate review program is an effective check on rising premiums.

"Families and small businesses should not be footing the bill for out of control administrative costs and other waste in the health insurance industry," said Rep. Shemia Fagan (D – Clackamas/East Multnomah County). "We need to take reasonable steps to improve transparency now so we can make sure that Oregonians aren't facing sticker shock later."

Oregon's rate review process already plays a critical role in protecting policy holders from excessive costs. Since 2010, rate review has prevented an estimated \$80 million in unjustified costs from driving up premiums. Senate Bill 413B will build on that work and make it easier for individuals, families, and small businesses to learn about pending rate increases and have a say in the process.

"Health care remains too expensive for too many Oregonians," said House Majority Leader Val Hoyle (D – Eugene). "We need to do everything we can to give individuals and small businesses more information and more transparency to ensure that the rates they pay are completely justified."

SB 413B passed the House by a vote of 36 – 23 and now returns to the Senate for possible consideration of House Amendments.

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