



MEDIA RELEASE

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For Immediate Release

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Representative Nancy Nathanson Speaks about need to Contain health Care Cost

Salem – Representative Nancy Nathanson (D-Eugene) today joined consumer groups, small businesses, union representatives, and lawmakers to discuss the problem of rising health insurance premiums. She spoke on the heels of a 19% proposed Regence rate increase, and hours before the House Consumer Protection Committee hears bills aimed at reining in excessive premium increases.

Representative Nathanson sponsored legislation enacted in 2007 that shed light on requests to increase health insurance rates and make information available to the public. New legislation aims to improve transparency, clarify the rate review process, and extend rate review protection to more insurance plans.

“We need the right information at the right time,” said Nathanson. “It’s critical to ensure that rate increases are reasonable and fair to individuals and business.

“Inflation has been averaging less than three percent, while medical cost inflation has been more like nine percent per year. So it makes you wonder when you see health insurance increasing 15, 20, 25% or more, on top of last year’s rate hikes. We need to understand what factors are driving the escalation in insurance rates and see what we can do to slow it down.”

The Oregon Health Fund Board recognizes this problem. Its report last November states: “Health care costs too much, and the costs are escalating far beyond the rate of inflation and people’s ability to pay. More and more residents are uninsured or underinsured. Within a few years, unless we change, the premium for a family health insurance policy will equal the average family wage.” The report also calls for reducing the growth in administrative spending by health insurance plans.

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