Message from
Oregon Insurance Division
Acting Administrator
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The February session is under way, and despite the fact that it is only a month-long session, there are numerous bills that will have the division's attention. The bills fall into three categories:

1) The Governor's priority bills
2) Bills that had division assistance
3) Bills that are of interest to the division

Governor's Priority Bills

SB 1580 seeks legislative approval of the Oregon Health Authority's proposal for Coordinated Care Organizations, a key component of the Governor's health care transformation initiative. Through Coordinated Care Organizations (CCOs), we intend to move from today's fragmented and inefficient health care delivery system to one that is more efficiently aligned, more patient-centered, and more affordable for the state.

HB 4164 will further define the role of the Oregon Health Insurance Exchange, the new public corporation made possible by legislation passed in 2011, as part of the next step to ensuring the Exchange is ready for open enrollment by October 2013. The program will create local exchanges that are accountable to Oregonians, offering choice, competition for improved value, and transparency.

Bills that had division assistance

SB 1504 clarifies and modifies some of the provisions of SB 89 (which primarily implemented federal health care reform). The division worked with health insurers on the language of the bill.

SB 1547 authorizes captive insurers in the state. Under current Oregon law, captives are prohibited from operating. The division worked with industry to craft language that would provide for the necessary oversight and examination.

HB 4135 prohibits the approval of any health insurance rate filing unless the carrier certifies that it does not reimburse or allow the provider to bill the insured for "serious adverse events". The bill also contains a provision requiring a health insurer to give notice health insurance to policyholders if an insurer requests a rate increase of 7 percent or higher and which impacts 1,000 or more policyholders.

Bills that are of interest to the division

HB 4010	Equal pay for nurse practitioners
HB4012	Health Care Delivery – CCO regulation
HB 4039	Tax deferral program for seniors
HB 4046	Exemption from assessment on gross amount of premium
HB 4074	Wellness programs
HB 4105	Exemption of out of state insurers
HB 4127	Certification of mental health providers

HB 4128	Mandate –treatment of craniofacial anomalies
HB 4136	Remedies for unlawful insurance practices
HB 4153	Criteria for CCOs (Senator Bates bill)
HB 4027	Limit liability of certain health care providers
SB 1509	Approval of CCOs and Health Exchange Business Plan (Senator Bates bill)
SB 1523	Provider reimbursement
SB 1568	Mandate – autism treatment
SB 1506	Mental Health Drug Pilot Program
SB 1536	Include CCOs in Oregon Tort Claims Act

Affordable Care Act Timeline and Task Forces
A significant endeavor for the division during 2012 will be implementing provisions of the Affordable Care Act (ACA).

Of course, we want to work collaboratively with our industry and consumer partners – as well as the public at large – to develop an essential health benefits recommendation and make progress on other projects by November 2012. We are putting together a timeline of key projects and will be making that available on our website.

Since November, the division worked in tandem with the Oregon Health Insurance Exchange coordinating the work of the Affordable Care Act. Recently, the division partnered with the exchange to host two events bringing Oregon's health insurance carriers together to talk about the work ahead related to risk adjustment and reinsurance, particularly before November 2012. Carriers learned about how the Insurance Division is approaching the work of risk adjustment and reinsurance as well as how the exchange will use that information for its work.

The division will also be developing a task force to study and collaborate on the issue of essential health benefits as required by the Affordable Care Act. A second task force will study market reform. The former will include members of the insurance industry, academic communities and consumer groups while the latter will be a robust group of health insurance carriers and state regulators.

The division will be creating a webpage on our homepage so that you can log in, see the task forces' membership and track our progress on these key initiatives.

Webinars/town halls
We are adopting new technologies to reduce costs while expanding services to the public. For example, we are producing a series of *webinars* and *virtual town halls* that will help us educate the public on up-to-date insurance issues.

The webinars and virtual town halls will be recorded and saved in an online library for future use. For example, on Feb. 9, we will produce a webinar in partnership with Oregon Health & Science University's Family to Family Health Information Center to educate families of children with special health needs on how to navigate the insurance maze. This 45-minute webinar can then be used by service clubs and health care advocates to educate their members. Anyone who is interested can visit our outreach page and download the file.

In near future, we plan on producing webinars and virtual town halls that will focus on a range of issues such as long-term care, the insurance rate review process, and helping small business adapt to the Affordable Care Act, to name a few.

Of course, we welcome requests for webinars and virtual town halls. If you have a suggestion or would like us to produce a webinar or virtual town hall to meet your needs, contact the Insurance Division's Consumer Liaison, Kevin Jeffries at kevin.p.jeffries@state.or.us or 503-947-7238.

Oregon joins the Compact

Additional life, annuity, and long-term care insurance policies are becoming available in Oregon now that we have joined the Interstate Insurance Product Regulation Commission, or Compact for short. The Compact uses national standards to review and approve certain insurance products on behalf of its members. This means insurers do not need to gain state-by-state approval. As a Compact member, Oregon will participate in developing standards for policies that will ensure strong consumer protections.

Currently, 40 states and Puerto Rico belong to the Compact. Since Oregon became a Compact member on Jan. 18, a total of 62 insurance companies have added Oregon to the list of states where their compact-approved products may be sold. Already, this means that several hundred new policy forms are available in the state.

Health report

The 2012 Health Insurance in Oregon report is now posted on our website. This year, in addition to the report, we have new webpages devoted to key financial data from the report. We hope you find these pages useful!

Key points from the report:

- Rates increased in 2011 in the small employer and individual health insurance markets but at a slower pace than in recent years because medical claims were down
- Oregon's largest health insurers averaged a 3 percent profit in 2010, with the majority of profit due to investment income
- In state-regulated insurance markets, Kaiser Foundation Health Plan of the Northwest and Regence BlueCross BlueShield of Oregon hold 49 percent of the business based on premium. However, five additional health insurers have significant slices of the pie, depending on the insurance market.

New on the website

- Our resident blogger has a new *Ask Ron* column covering independent review organizations
- This press release warns Oregonians not to do business with unlicensed Hole-In-Won.com
- Primary care providers go to this page to register retainer medical practices (our first registration is complete and will be posted any day)
- The new *financial data* button on www.oregonhealthrates.org provides a wealth of information on where Oregonians get insurance and how the state's largest insurers are doing financially