

To: Senate Committee on General Government, Consumer and Small Business Protection  
From: Jesse Ellis O'Brien, OSPIRG Health Care Advocate  
Date: March 22, 2013  
Re: Testimony in Support of SB 684 and -1 amendments

**OSPIRG supports SB 684 with the -1 amendments.** This important legislation will help ensure the continued transparency and integrity of Oregon's health insurance rate review program.

The Oregon Insurance Division's (OID) rate review program serves as a critical backstop to protect Oregon small businesses and families from unreasonable rate increases. **Oregon's rate review process was designed to enable Oregonians to have a say in rate decisions that affect them.** However, in some situations, the public has not been provided with an opportunity to review all rate filing information and provide fully-informed comment. SB 684-1 aims to rectify that by creating a process to enable independent review in these unusual situations.

OID is a national leader in increasing transparency in the rate review process. In 2007 and 2009, the Oregon Legislature passed transparency laws (HB 3103 and HB 2009) strengthening OID's ability to make filing information public and requiring all rate filings to be posted online.

Administrative rulemaking implementing these laws made clear that no part of a standard rate filing constituted a trade secret that would be kept from the public. However, in some situations, OID requests information of insurers that goes beyond a standard filing because OID needs to review unusual aspects of an insurers' proposal.

On a small number of occasions, these requests for additional information have led to the confidential review of information claimed as trade secret by insurers. **In these situations, affected policyholders have been unable to access key information about rate decisions that affect them and provide informed comment.**

SB 684-1 will enable affected parties to petition to access information reviewed confidentially as part of the rate review process by signing a binding confidentiality agreement. SB 684-1 grants OID the authority to impose sanctions to enforce the terms of the confidentiality agreement.

This solution is narrowly tailored to enable access to information for affected parties in the unusual situations in which OID reviews information confidentially. This legislation will not alter the application of trade secrets law to the review process, give petitioners any intervenor rights in the process, or alter the process OID uses to make decisions about rate requests.

Oregon has shown that a strong and transparent rate review program can make a difference in containing costs. SB 684 represents a small but important step to preserve and enhance the integrity of the process. **OSPIRG urges your support for SB 684 and the -1 amendments.**