

**Rate Filing Summary
(Insurance Company)
(Individual/Group) Health Benefit Plan Renewal**

The Oregon Insurance Division must approve the rates of all health benefits plans in the individual, small employer and portability markets.

Rate Request:

- Proposed rate (increase/decrease): # percent from one year earlier.
- Effective date: mm/dd/yy
- Oregonians impacted: #####

*This does not mean that your rates will increase/decrease by this average amount. Rates are affected by the ages of the people covered, where they live, whether family members are covered and the date your policy renews.

Basis for rate request

- Medical and prescription costs: Medical costs (increased/decreased) by # percent since (time period) and prescription costs increased by # percent during the same period.
- Medical and prescription benefits: Changes have been made to benefits. **(Describe changes)** As a result, medical rates (increased/decreased) by # percent. Prescription rates (increased/decreased) by # percent.

Premiums vs. claims

- Individual/group health plan premiums received: \$\$\$\$
- Individual/group health plan claims paid: \$\$\$\$
- Individual/group health plan medical loss/profit: \$\$\$\$

Projected results of the proposed rate

A health insurance premium is made up of three pieces: the claims costs, administrative costs, and profit. If the requested rate change is approved, (company) projects:

- **Claims costs:** Will change from # percent to # percent.
- **Administrative costs:** Will change from # percent to # percent.
- **Profit/loss:** Will change from # percent to # percent.

Five-year rate history

- **2004:** X% Increase/decrease
- **2005:** X% Increase/decrease
- **2006:** X% Increase/decrease
- **2007:** X% Increase/decrease
- **2008:** X% Increase/decrease (requested)

Comments:**Glossary**

Administrative costs: Expenses the insurance company pays to operate this insurance plan. This includes all expenses not directly related to paying claims, such as, but not limited to, salaries of company employees, the cost of the company's offices and equipment, commissions to agents to sell and service policies, subsidies to cover legally required plans such as portability and the Oregon Medical Insurance Pool, and taxes.

Medical and prescription costs: The portion of the premium that pays for medical services and prescriptions. In some policies, prescription costs are shown as a separate item.

Profit: The amount of money remaining after claims and administrative expenses are paid. Margin is the comparable term for a nonprofit insurance company.