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State releases annual report on health insurance

(Salem) — The Department of Consumer and Business Services (DCBS) today released its annual report describing health insurance regulation in Oregon and how the state's seven largest health insurers are faring financially.

Some of the key findings from the 2011 *Health Insurance in Oregon* report:

- The recession took a toll on Oregonians' ability to remain insured; enrollment through Oregon's seven-largest insurers dropped 15 percent from 2007 to 2009.
- Health insurance premiums continue to rise by double digits, corresponding with ongoing increases in medical claims costs.
- The state's seven largest health insurers are financially stable. As of mid-2010, these insurers showed an average 3 percent profit compared to 1 percent for each of the prior two years.
- The state-regulated insurance markets cover about 39 percent of Oregonians; only 12 percent of Oregonians are in plans subject to state rate regulation. Others receive coverage through self-insured employer plans, government programs such as Medicare/Medicaid, or are uninsured.

"The report offers the background for understanding the changing nature of commercial health insurance," DCBS Insurance Division Administrator Teresa Miller said. "The data presented in the report also underscores the need to control medical claims costs, which drive health insurance rates."

For example, the report shows that in 2009 the seven largest health insurers in Oregon spent 91 cents of every premium dollar to pay medical claims.

The report includes extensive data on the seven insurers' share of Oregon's competitive health insurance market. The report also discusses how state regulation of insurance is changing as a result of the federal Affordable Care Act.

The report is available on the DCBS website: http://insurance.oregon.gov/health_report/3458-health_report-2011.pdf.

People with questions about insurance issues can reach the Insurance Division's consumer advocates at 503-947-7984 in the Salem area or toll-free at 1-888-877-4894. The report notes that in a typical year, the consumer advocacy staff handles about 16,000 inquiries about all types of insurance.

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