

GREENBERG & ASSOCIATES INSURANCE

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***** IMPORTANT BULLETIN *****

TO: ALL HEALTH INSURANCE CLIENTS

FROM: GREENBERG & ASSOCIATES INSURANCE

DATE: July 22, 2009

RE: Oregon Premium Tax Becomes Effective October 1

Before adjourning in June, the Oregon Legislature passed [House Bill 2116](#), creating a tax on medical insurance premiums to partially fund increased access to healthcare. The bill is expected to be signed into law sometime this month. Effective October 1, 2009, the bill calls for a one percent tax to be added to the total amount of health insurance premium collected in Oregon by health insurers during the next four years. The premium tax addresses healthcare access for the uninsured. It is intended to extend coverage to 80,000 uninsured Oregon children and an additional 35,000 uninsured low-income adults.

In accordance with the new law and Oregon Insurance Division guidelines, all insurance carriers will be implementing the tax as follows:

- Oregon group, individual, and Portability individual policies—all medical premium rates will increase to include the one percent tax beginning October 1, 2009.
- Short Term Medical policies—new short term policies written on or after October 1 will be subject to the tax and premium will increase to include the tax; short term policies in force prior to October 1 will not be affected.
- Dental policies—the tax does not apply to dental policies, so premium will not be adjusted.

You'll soon be receiving notification from your insurance carrier regarding this change. Please let us know if you have questions or would like additional information.

Sincerely,

Sharon Greenberg and Adrienne Hutchins