Senate Bill 506

Sponsored by Senators MONNES ANDERSON, KRUSE, Representatives SCHAUFLER, THOMPSON (at the request of Oregon Medical Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Requires insurer to allow web-based or telephone access by provider to specified information regarding claim for reimbursement. Prohibits insurer from denying claim if provider obtains information within 72 hours prior to service or treatment. Makes violation subject to civil penalty, not to exceed $1,000. Authorizes provider or enrollee to bring civil action for violation of Act and to recover costs, disbursements and attorney fees.

A BILL FOR AN ACT

Relating to health insurance; amending ORS 743.837.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 743.837 is amended to read:

743.837. [*Except in the case of misrepresentation, prior authorization determinations shall be subject to the following requirements:*]

[*(1) Prior authorization determinations relating to benefit coverage and medical necessity shall be binding on the insurer if obtained no more than 30 days prior to the date the service is provided.*]

[*(2) Prior authorization determinations relating to enrollee eligibility shall be binding on the insurer if obtained no more than five business days prior to the date the service is provided.*]

(1) The interactive website and toll-free telephone described in ORS 743.874 (5) and 743.876 (5) shall allow providers to obtain prior authorization and to determine:

(a) If a patient is enrolled in a health benefit plan;

(b) If a service or treatment is covered by the enrollee's plan;

(c) The insurer's allowable charge for the service or treatment;

(d) Whether the enrollee's deductible has been met; and

(e) The amount of the enrollee's copayment or coinsurance for the service or treatment.

(2) An insurer may not deny a claim from a provider for reimbursement under a health benefit plan for a service or treatment if the provider has obtained the information described in subsection (1) of this section within 72 hours prior to the provision of the service or treatment.

(3) In addition to and not in lieu of any administrative actions or penalties that may be imposed by the Director of the Department of Consumer and Business Services under the Insurance Code, the director may impose a civil penalty of not more than $1,000 for each violation of this section.

(4)(a) A provider or an enrollee who is harmed by a violation of this section may bring a civil action against an insurer for damages or any other remedy available at law or in equity.

(b) A prevailing plaintiff may recover reasonable costs, disbursements and attorney fees

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

in an action brought under this subsection.