

DRAFT

SUMMARY

Modifies amount of reimbursement due personal injury protection provider when total benefits exceed damages.

Extends personal injury protection benefit coverage for certain expenses from one year after date of injury to two years after date of injury.

A BILL FOR AN ACT

Relating to personal injury protection benefits; creating new provisions; and amending ORS 742.524 and 742.544.

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

SECTION 1. ORS 742.544 is amended to read:

742.544. (1) A provider of personal injury protection benefits shall be reimbursed for personal injury protection payments made on behalf of any person only to the extent that the total amount of benefits paid exceeds the [economic] damages [as defined in ORS 31.710] suffered by that person. As used in this section, "total amount of benefits" means the amount of money recovered by a person from:

(a) Applicable underinsured motorist benefits described in ORS 742.502 (2);

(b) Liability insurance coverage available to the person receiving the personal injury protection benefits from other parties to the accident;

(c) Personal injury protection payments; and

(d) Any other payments by or on behalf of the party whose fault caused the damages.

(2) Nothing in this section requires a person to repay more than the amount of personal injury protection benefits actually received.

SECTION 2. ORS 742.524 is amended to read:

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.

1 742.524. (1) Personal injury protection benefits as required by ORS 742.520
2 shall consist of the following payments for the injury or death of each per-
3 son:

4 (a) All reasonable and necessary expenses of medical, hospital, dental,
5 surgical, ambulance and prosthetic services incurred within [*one year*] **two**
6 **years** after the date of the person's injury, but not more than \$15,000 in the
7 aggregate for all such expenses of the person. Expenses of medical, hospital,
8 dental, surgical, ambulance and prosthetic services shall be presumed to be
9 reasonable and necessary unless the provider is given notice of denial of the
10 charges not more than 60 calendar days after the insurer receives from the
11 provider notice of the claim for the services. At any time during the first 50
12 calendar days after the insurer receives notice of claim, the provider shall,
13 within 10 business days, answer in writing questions from the insurer re-
14 garding the claim. For purposes of determining when the 60-day period pro-
15 vided by this paragraph has elapsed, counting of days shall be suspended if
16 the provider does not supply written answers to the insurer within 10 days
17 and may not resume until the answers are supplied.

18 (b) If the injured person is usually engaged in a remunerative occupation
19 and if disability continues for at least 14 days, 70 percent of the loss of in-
20 come from work during the period of the injured person's disability until the
21 date the person is able to return to the person's usual occupation. This
22 benefit is subject to a maximum payment of \$3,000 per month and a maximum
23 payment period in the aggregate of 52 weeks. As used in this paragraph,
24 "income" includes but is not limited to salary, wages, tips, commissions,
25 professional fees and profits from an individually owned business or farm.

26 (c) If the injured person is not usually engaged in a remunerative occu-
27 pation and if disability continues for at least 14 days, the expenses reason-
28 ably incurred by the injured person for essential services that were
29 performed by a person who is not related to the injured person or residing
30 in the injured person's household in lieu of the services the injured person
31 would have performed without income during the period of the person's dis-

1 ability until the date the person is reasonably able to perform such essential
2 services. This benefit is subject to a maximum payment of \$30 per day and
3 a maximum payment period in the aggregate of 52 weeks.

4 (d) All reasonable and necessary funeral expenses incurred within one
5 year after the date of the person's injury, but not more than \$5,000.

6 (e) If the injured person is a parent of a minor child and is required to
7 be hospitalized for a minimum of 24 hours, \$25 per day for child care, with
8 payments to begin after the initial 24 hours of hospitalization and to be made
9 for as long as the person is unable to return to work if the person is engaged
10 in a remunerative occupation or for as long as the person is unable to per-
11 form essential services that the person would have performed without income
12 if the person is not usually engaged in a remunerative occupation, but not
13 to exceed \$750.

14 (2) With respect to the insured person and members of that person's
15 family residing in the same household, an insurer may offer forms of cover-
16 age for the benefits required by subsection (1)(a), (b) and (c) of this section
17 with deductibles of up to \$250.

18 **SECTION 3. The amendments to ORS 742.524 and 742.544 by sections**
19 **1 and 2 of this 2013 Act apply to motor vehicle liability policies issued**
20 **or renewed on or after the effective date of this 2013 Act.**