

SB 250 -1 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 3/27

WHAT THE MEASURE DOES:

Requires health insurance policies to explain policies provision in terms prescribed or approved by the Department of Consumer and Business Services (DCBS). Adopts Fry Graph Readability Formula for health insurance policies and materials approved by DCBS. Repeals mandatory terms for certain policy provisions and requires DCBS to prescribe or approve terms.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Requires carriers of individual health benefit plans to issue plan, other than a grandfathered health plan to any individual who applies for the plan without preexisting condition exclusions or a waiting period. Exempts master group policies validly issued in another state from definition of "transact insurance." Exempts individual health benefit plans paid for through a health reimbursement arrangement from provisions applying to group health benefit plans. Applies chemical dependency coverage requirements to individual health benefit plans that are not grandfathered. Allows Director of DCBS to assess fees on exempt health benefit plans for the purposes of mitigating inequity in the health insurance market. Prohibits health benefit plans from discriminating on the basis of actual or perceived race, color, national origin, sex, sexual orientation, gender identity, age or disability.

BACKGROUND:

Through its Division of Financial Regulation, the Department of Consumer and Business Services (DCBS) is the state's primary regulator of all types of insurance companies, including health insurance companies. In 2015, the division regulated health insurers covering approximately 1 million Oregonians in the individual, small group, large group, and associations and trusts markets. An estimated 710,000 Oregonians were covered by self-insured employers, which are regulated by the federal government under the 1974 Employee Retirement Income Security Act (ERISA).

Senate Bill 250 aligns aspects of the Oregon Insurance Code with the federal Patient Protection and Affordable Care Act (ACA).