



**OREGON STATE REPRESENTATIVE
PAUL HOLVEY**

HOUSE DISTRICT 8

January 4th, 2020

HB 4110 – Affordable Care Act Protections

If Oregonians miss open enrollment or lose coverage on an existing individual health plan due to a late payment, they may have few options for affordable comprehensive health coverage. Many times they then enroll in short term health plans (3 month max) for coverage.

These short-term plans do not provide the consumer protections that Affordable Care Act plans are legally required to offer. They are allowed to discriminate against Oregonians with pre-existing health conditions by denying them coverage or charging more. They are not required to cover the ACA's Essential Health Benefits, meaning they often do not cover many conditions, often including childbirth, mental health or substance abuse disorders, and are subject to a high amount of consumer complaints.

Under current law, consumers all too often lose coverage simply from one late payment, or a misunderstanding about the total premium due. These misunderstandings can happen in a variety of situations, including when an auto-payment is not corrected following a premium increase. In addition notices of past due payment can sometimes be confusing or lack information.

HB 4110 takes some modest steps to prevent this from happening.

- **It increases Oregon's minimum grace period for individual health benefit plan premiums from 10 days to 30 days.**
- **It would require Individual health benefit plans to allow at least 15 days to make an initial premium payment.**
- **HB 4110 allows DCBS to prescribe by rule the information that must be contained in a notice required by this section. (-1 amendment)**

Together, these changes will give more time for Oregonians to resolve potential issues with payment or billing without putting their health coverage at risk.

-1 Amendment:

Based on feedback from stakeholders, we decided to eliminate language that some felt may cause confusion and we did not believe it is necessary to mirror this requirement in state law.

The -1 amendment also gives the Department of Consumer and Business Services the ability to prescribe by rule the information that must be contained in a notice required by this section.