

House Bill 3157

Sponsored by Representative NOSSE, Senator HAYDEN; Representatives PHAM H, PHAM K, Senators KNOPP, PATTERSON

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**.

Establishes Health Insurance Mandate Review Advisory Committee to review each proposed legislative measure, legislative concept or amendment that requires health insurer or health care service contractor to reimburse cost of specified procedure or provider, if measure, concept or amendment is posted to legislative committee's agenda, and to produce report on equity and financial effects of each required coverage that is proposed and efficacy of treatment or service proposed. Specifies membership and duties of advisory committee.

Modifies criteria for review of measures that require coverage of specific procedure or provider. Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to health care coverage; creating new provisions; amending ORS 171.875 and 171.880; and
3 prescribing an effective date.

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

5 **SECTION 1. (1) The Health Insurance Mandate Review Advisory Committee is estab-**
6 **lished.**

7 **(2) The advisory committee consists of the following members:**

8 **(a) The President of the Senate shall appoint:**

9 **(A) One member from among members of the Senate who is a member of the majority**
10 **party.**

11 **(B) One member from among members of the Senate who is a member of the minority**
12 **party.**

13 **(b) The Speaker of the House of Representatives shall appoint:**

14 **(A) One member from among members of the House of Representatives who is a member**
15 **of the majority party.**

16 **(B) One member from among members of the House of Representatives who is a member**
17 **of the minority party.**

18 **(c) The President and the Speaker shall jointly appoint:**

19 **(A) One member representing businesses that offer group health insurance plans to em-**
20 **ployees.**

21 **(B) One member representing insurers.**

22 **(C) One member representing health care providers.**

23 **(D) One member representing consumers of health insurance benefits who are not rep-**
24 **resentative of businesses that offer group health insurance, insurers or health care provid-**
25 **ers.**

26 **(E) One member with expertise in the provision of health care in rural areas of this**
27 **state.**

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 (d) The Director of the Department of Consumer and Business Services or the director's
2 designee.

3 (e) The director of the Oregon Educators Benefit Board and the Public Employees' Ben-
4 efit Board or the director's designee.

5 (3) The advisory committee shall develop and implement a process for reviewing and
6 producing a report on all proposed legislative measures and amendments to measures de-
7 scribed in ORS 171.875. For each proposed measure or amendment, the advisory committee
8 shall analyze the factors listed in ORS 171.880 and other relevant data and make findings on
9 each factor.

10 (4) With respect to each proposed measure or amendment to a measure, the Legislative
11 Policy and Research Director shall collaborate with the Department of Consumer and Busi-
12 ness Services to collect and compile the data needed to analyze each factor listed in ORS
13 171.880. The advisory committee shall make findings based on the data and produce the re-
14 port required by ORS 171.875. The report may not contain policy recommendations.

15 (5) The advisory committee shall produce the report described in subsection (4) of this
16 section on a proposed measure or amendment submitted to the advisory committee for re-
17 view:

18 (a) By January 15 for proposed measures during an interim between sessions of the
19 Legislative Assembly; and

20 (b) No later than two weeks from receipt for a measure proposed during a session of the
21 Legislative Assembly or for an amendment to a measure that requires a report under ORS
22 171.875.

23 (6) Members of the Legislative Assembly shall serve until the earlier of the end of the
24 biennium or the end of their term in office, unless they are removed earlier by the appointing
25 authority.

26 (7) The term of office of members who are not members of the Legislative Assembly is
27 four years, but the President and Speaker may jointly remove a member for any cause. If
28 there is a vacancy for any cause, the President and the Speaker shall make an appointment
29 to become immediately effective for the unexpired term.

30 (8) A majority of the voting members of the advisory committee constitutes a quorum
31 for the transaction of business.

32 (9) Official action by the advisory committee requires the approval of a majority of the
33 voting members of the advisory committee.

34 (10) The advisory committee shall elect one of its members to serve as chairperson.

35 (11) If there is a vacancy for any cause, the appointing authority shall make an appoint-
36 ment to become immediately effective.

37 (12) The advisory committee shall meet at times and places specified by the call of the
38 chairperson or of a majority of the voting members of the advisory committee.

39 (13) The advisory committee may adopt rules necessary for the operation of the advisory
40 committee.

41 (14) The Legislative Policy and Research Director shall provide staff support to the ad-
42 visory committee.

43 (15) Members of the Legislative Assembly appointed to the advisory committee are non-
44 voting members of the advisory committee and may act in an advisory capacity only.

45 (16) Members of the advisory committee who are not members of the Legislative As-

1 **sembly are not entitled to compensation or reimbursement for expenses and serve as vol-**
 2 **unteers on the advisory committee.**

3 **(17) All agencies of state government, as defined in ORS 174.111, are directed to assist**
 4 **the advisory committee in the performance of the duties of the advisory committee and, to**
 5 **the extent permitted by laws relating to confidentiality, to furnish information and advice**
 6 **the members of the advisory committee consider necessary to perform their duties.**

7 **SECTION 2.** ORS 171.875 is amended to read:

8 171.875. (1) Every proposed legislative measure **or legislative concept** that mandates a health
 9 insurance coverage **and every amendment that, if adopted, would result in the measure be-**
 10 **coming a measure that mandates a health insurance coverage**, whether by requiring payment
 11 for certain providers or by requiring an offering of a health insurance coverage by an insurer or
 12 health care service contractor as a component of individual or group health insurance policies, shall
 13 be accompanied by a report *[that assesses]* **produced by the Health Insurance Mandate Review**
 14 **Advisory Committee established under section 1 of this 2023 Act. The report must assess in**
 15 **the manner provided in ORS 171.880** *[both]* the *[social and]* financial effects, **the effects on equity**
 16 of the coverage *[in the manner provided in ORS 171.880, including]* **and** the efficacy of the treatment
 17 or service proposed. *[The report may be prepared either by the chief sponsor or by any other proponent*
 18 *of the proposed measure. The report shall be submitted with the proposed measure when the proposed*
 19 *measure is submitted for filing, and shall be in writing and be a public record].*

20 **(2) If an amendment to a measure is proposed that, if adopted, would result in the**
 21 **measure becoming one described in subsection (1) of this section, the chair of the committee**
 22 **of the Legislative Assembly that is hearing the amendment shall request a convening of a**
 23 **meeting of the Health Insurance Mandate Review Advisory Committee to produce a report**
 24 **on the amendment.**

25 **(3) The report described in this section is required only for legislative measures, legisla-**
 26 **tive concepts or amendments that are posted to an agenda of a committee of the Legislative**
 27 **Assembly, including interim committees.**

28 **(4) A report produced by the Health Insurance Mandate Review Advisory Committee may**
 29 **be used in lieu of a fiscal impact statement required by ORS 173.025.**

30 **SECTION 3.** ORS 171.880 is amended to read:

31 171.880. *[The]* **A Health Insurance Mandate Review Advisory Committee** report required
 32 under ORS 171.875, to the extent that information is available, shall include but need not be limited
 33 to *[the following]* **analyses by the advisory committee and findings by the committee on:**

34 *[(1) Answers to the following questions concerning the social effect of the proposed measure:]*

35 *[(a) To what extent is the treatment or service used by the general population of Oregon?]*

36 *[(b) To what extent is the insurance coverage already generally available in Oregon?]*

37 *[(c) What proportion of the population of Oregon already has such coverage?]*

38 *[(d) To what extent does the lack of coverage result in financial hardship in Oregon?]*

39 *[(e) What evidence exists to document the medical need in Oregon for the proposed treatment or*
 40 *services?]*

41 *[(2) Answers to the following questions concerning the financial effect of the proposed measure:]*

42 *[(a) To what extent is the coverage expected to increase or decrease the cost of treatment or ser-*
 43 *vices?]*

44 *[(b) To what extent is the coverage expected to increase the use of the treatment or services?]*

45 *[(c) To what extent is the mandated treatment or services expected to be a substitute for more ex-*

1 *pensive treatment or services?]*

2 [(d) *To what extent is the coverage expected to increase or decrease the administrative expenses of*
3 *insurance companies and the premium and administrative expenses of policyholders?]*

4 [(e) *What will be the effect of this coverage on the total cost of health care?]*

5 (1) **The evidence that exists to document the medical need for the treatment or service**
6 **in the proposal;**

7 (2) **The extent of the coverage under the proposal;**

8 (3) **Whether the proposal ensures more or less equitable access to treatment and services**
9 **by residents of this state;**

10 (4) **Whether the coverage under the proposal is an essential health benefit as defined in**
11 **ORS 731.097;**

12 (5) **Other state or federal laws that relate to the proposal including whether other states**
13 **are defraying the cost of similar coverage in accordance with 42 U.S.C. 18031(d)(3);**

14 (6) **The extent to which the coverage in the proposal is already provided by the Public**
15 **Employees’ Benefit Board, the Oregon Educators Benefit Board or individual, small employer**
16 **group and large employer group health insurance plans;**

17 (7) **The extent to which the coverage in the proposal is provided in the state medical as-**
18 **sistance program as prescribed by the Oregon Health Authority under ORS 414.065;**

19 (8) **The extent to which a lack of the coverage in the proposal results in financial hard-**
20 **ship to residents of this state; and**

21 (9) **The financial effects of the proposal based on an actuarial analysis including:**

22 (a) **The extent to which the proposal is expected to increase or decrease the cost of**
23 **treatment or services and the utilization of treatment and services;**

24 (b) **The extent to which the treatment or service covered by the proposal is expected to**
25 **substitute for more expensive treatment or services;**

26 (c) **The per member per month cost of the proposal on the Public Employees’ Benefit**
27 **Board, the Oregon Educators Benefit Board and enrollees in individual, small employer group**
28 **and large employer group health insurance plans;**

29 (d) **The extent to which the coverage required by the proposal will cause an increase in**
30 **premiums that will impose a financial hardship on residents in this state, particularly in**
31 **rural areas or frontier areas, as designated by the Office of Rural Health; and**

32 (e) **The estimated impact of the proposal on the total cost of health care in this state.**

33 **SECTION 4.** **Notwithstanding the term of office specified in section 1 (7) of this 2023 Act,**
34 **of the members first appointed to the Health Insurance Mandate Review Advisory Commit-**
35 **tee:**

36 (1) **Two shall serve terms ending January 1, 2025.**

37 (2) **Two shall serve terms ending January 1, 2026.**

38 (3) **Two shall serve terms ending January 1, 2027.**

39 **SECTION 5.** **This 2023 Act takes effect on the 91st day after the date on which the 2023**
40 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**