

A-Engrossed
Senate Bill 376

Ordered by the Senate April 14
Including Senate Amendments dated April 14

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Judiciary and Ballot Measure 110 Implementation)

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.

[Requires Department of Consumer and Business Services to study insurance. Directs department to submit findings to interim committees of Legislative Assembly related to insurance not later than September 15, 2024.]

Provides authority to Director of Department of Consumer and Business Services to require health care service contractors to file annual National Association of Insurance Commissioners own risk and solvency assessment summary reports and corporate governance annual disclosure reports.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to insurance; amending ORS 750.055; and prescribing an effective date.

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

SECTION 1. ORS 750.055, as amended by section 11, chapter 37, Oregon Laws 2022, is amended to read:

750.055. (1) The following provisions apply to health care service contractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

(a) ORS 705.137, 705.138 and 705.139.

(b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

(c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.596, not including ORS 732.582, **and ORS 732.650 to 732.689.**

(d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

(e) ORS 734.014 to 734.440.

(f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to 742.542.

(g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406, 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650 to 743.656, 743.680 to 743.689, 743.788 and 743.790 and section 8, chapter 37, Oregon Laws 2022.

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 (h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,
2 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
3 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
4 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.170,
5 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252 and 743A.260 and section 2,
6 chapter 771, Oregon Laws 2013, and sections 6 and 7, chapter 37, Oregon Laws 2022.

7 (i) ORS 743.025, 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,
8 743B.202, 743B.204, 743B.220, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253, 743B.254,
9 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310, 743B.320,
10 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403, 743B.407,
11 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505, 743B.550,
12 743B.555, 743B.601, 743B.602 and 743B.800.

13 (j) The following provisions of ORS chapter 744:

14 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
15 ers;

16 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

17 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

18 (k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
19 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

20 (2) The following provisions of the Insurance Code apply to health care service contractors ex-
21 cept in the case of group practice health maintenance organizations that are federally qualified
22 pursuant to Title XIII of the Public Health Service Act:

23 (a) ORS 731.485, if the group practice health maintenance organization wholly owns and oper-
24 ates an in-house drug outlet.

25 (b) ORS 743A.024, unless the patient is referred by a physician, physician assistant or nurse
26 practitioner associated with a group practice health maintenance organization.

27 (3) For the purposes of this section, health care service contractors are insurers.

28 (4) Any for-profit health care service contractor organized under the laws of any other state that
29 is not governed by the insurance laws of the other state is subject to all requirements of ORS
30 chapter 732.

31 (5)(a) A health care service contractor is a domestic insurance company for the purpose of de-
32 termining whether the health care service contractor is a debtor, as defined in 11 U.S.C. 109.

33 (b) A health care service contractor's classification as a domestic insurance company under
34 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510
35 to 734.710.

36 (6) The Director of the Department of Consumer and Business Services may, after notice and
37 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025
38 and 750.045 that are necessary for the proper administration of these provisions.

39 **SECTION 2.** ORS 750.055, as amended by section 21, chapter 771, Oregon Laws 2013, section
40 7, chapter 25, Oregon Laws 2014, section 82, chapter 45, Oregon Laws 2014, section 9, chapter 59,
41 Oregon Laws 2015, section 7, chapter 100, Oregon Laws 2015, section 7, chapter 224, Oregon Laws
42 2015, section 11, chapter 362, Oregon Laws 2015, section 10, chapter 470, Oregon Laws 2015, section
43 30, chapter 515, Oregon Laws 2015, section 10, chapter 206, Oregon Laws 2017, section 6, chapter
44 417, Oregon Laws 2017, section 22, chapter 479, Oregon Laws 2017, section 10, chapter 7, Oregon
45 Laws 2018, section 69, chapter 13, Oregon Laws 2019, section 38, chapter 151, Oregon Laws 2019,

1 section 5, chapter 441, Oregon Laws 2019, section 85, chapter 97, Oregon Laws 2021, and section
2 12, chapter 37, Oregon Laws 2022, is amended to read:

3 750.055. (1) The following provisions apply to health care service contractors to the extent not
4 inconsistent with the express provisions of ORS 750.005 to 750.095:

5 (a) ORS 705.137, 705.138 and 705.139.

6 (b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398
7 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS
8 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,
9 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

10 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.596, not
11 including ORS 732.582, **and ORS 732.650 to 732.689.**

12 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
13 to 733.780.

14 (e) ORS 734.014 to 734.440.

15 (f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to
16 742.542.

17 (g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.028,
18 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406, 743.417,
19 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650 to
20 743.656, 743.680 to 743.689, 743.788 and 743.790 and section 8, chapter 37, Oregon Laws 2022.

21 (h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,
22 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
23 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
24 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.170,
25 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252 and 743A.260 and sections 6
26 and 7, chapter 37, Oregon Laws 2022.

27 (i) ORS 743.025, 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,
28 743B.202, 743B.204, 743B.220, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253, 743B.254,
29 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310, 743B.320,
30 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403, 743B.407,
31 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505, 743B.550,
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37 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

38 (k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
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8 (b) A health care service contractor's classification as a domestic insurance company under
9 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510
10 to 734.710.

11 (6) The Director of the Department of Consumer and Business Services may, after notice and
12 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025
13 and 750.045 that are necessary for the proper administration of these provisions.

14 **SECTION 3. This 2023 Act takes effect on the 91st day after the date on which the 2023**
15 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**

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