

HB 2540 -1 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

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Meeting Dates: 2/25, 3/6

WHAT THE MEASURE DOES:

The measure requires some health insurers to include direct payments made to a provider toward an enrollee's out-of-pocket and deductible costs in specified situations.

Detailed Summary

- Requires health benefit plans; including the Oregon Educators Benefit Board (OEBB) and the Public Employees' Benefit Board (PEBB), and individual and group plans regulated by the Department of Consumer and Business Services (DCBS); to credit some payments made directly to a provider toward the out-of-pocket and deductible costs of a plan enrollee.
- Applies to situations where: the service/item is medically necessary and would be covered by the plan, a claim is not submitted to the insurance company for the service/item, and the cost paid directly to the provider is less than the in-network provider payment for the same service/item would be if a claim was submitted.
- Directs health insurers to establish a process for enrollees to submit claims for direct payments to be applied to plan out-of-pocket and deductible costs.

ISSUES DISCUSSED:

- The positive impact of direct payments on health care providers.
- Potential implications of direct payments on in- and out-of-network provider networks.
- Enforcement mechanism for if a payer refuses to credit a valid direct payment to a plan member's deductible or out-of-pocket costs.
- The need for health care price transparency.
- Challenges related to claims processing and the potential for errors and/or fraud.

EFFECT OF AMENDMENT:

- Excludes health maintenance organizations.
- Specifies that an insurer may require a plan member to use existing claims submission processes.

-1 Fiscal impact: Minimal fiscal impact

Revenue impact: No revenue impact

BACKGROUND:

According to the Kaiser Family Foundation ([2024](#)), nearly half of adults in the US report difficulty affording health care costs, while 73% report some level of worry about affording the cost of health services, including out-of-pocket expenses. According to data from the Oregon Health Insurance Survey ([2025](#)), 25% of Oregonians reported having an annual deductible of \$4,000 or more. Among Oregonians with group or individual health insurance plans, nearly 50% of enrollees reported annual out-of-pocket costs between \$2,000 and \$6000. Annual deductibles in Oregon have risen considerably over time, with high deductible plans gaining in popularity as a means of offsetting annual premium rates ([2023](#)).

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While health insurance plans offer a means to help afford health care services for those who can access them, enrollees are often required to pay for some portion of their expenses out-of-pocket through an upfront deductible and as an out-of-pocket maximum. In some situations, health care providers may offer lower rates to those patients who choose to pay out-of-pocket for services compared to rates billed to an insurance company. However, direct payments cannot typically be applied toward an individual's insurance plan deductible or out-of-pocket costs.

House Bill 2540 requires some health insurers to include certain direct payments made to a provider toward an enrollee's out-of-pocket and deductible costs in some situations.