

HB 3234 -2, -7 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

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Meeting Dates: 3/20, 4/3

WHAT THE MEASURE DOES:

The measure allows the Attorney General to investigate or bring an action in an Oregon court against a health insurer or affiliate that forms a contract to restrict trade or commerce or monopolizes or attempts to monopolize any part of trade or commerce. The Attorney General may bring an action in an Oregon court to enjoin the act or practice, to obtain equitable relief, damages, civil penalties, obtain relief on behalf of another person, or other relief. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 The amendment defines affiliate, health care provider, health insurance, Insurer, and responsible person. It excludes a health care provider from the definition of a responsible person.

A responsible person under the amendment may not require a health care provider to spend more or less time treating a patient than the health care provider judges necessary, prescribe certain medications, other than generic alternatives, contrary to medical judgment, or code a diagnosis or treatment if it would be contrary to medical judgment. A responsible person under the amendment may not restrict or reduce a patient's access to health care when the patient continues to pay for a plan or policy that provides coverage in which the reduction or restriction would result in a violation of the duty of care. A responsible person under the amendment may not limit or direct a patient to a certain insurer or certain health insurance or policy as a condition of access to a health care. A responsible person under the amendment may not hinder or interfere with medical judgment of a health care provider.

The amendment allows the Attorney General to determine that a responsible person has violated or is likely to violate this section, the Attorney General may issue and serve an investigative demand or may bring an action in an Oregon court to enjoin or seek a penalty. A court may punish disobedience of a final court order as contempt. A court may award investigation costs and attorney fees and costs to the Attorney General.

The amendment declares emergency, effective on passage.

-7 The amendment defines affiliate, health care provider, Insurer, professional medical entity, and Reasonable Person. the amendment also excludes health care providers, professional medical entity a hospital, and a hospital-affiliated clinic from the definition of responsible person. a reasonable person or affiliate are prohibited from operations of a health care provider, restrict patient access to health care, limit a patient to a certain insurer or health insurance plan, or otherwise interfere with the ethical standards of a health care provider. The amendment establishes what powers the Attorney General has and how they may be applied to investigate violations of the measure. the amendment allows the Attorney General to bring an action in circuit court to enjoin, seek a penalty established in the measure, or ask for the costs of investigating and attorney fees to be awarded to the Attorney General. An emergency is declared, effective on passage.

BACKGROUND:

Section 731.256 of the Oregon Revised Statutes is about insurance administration enforcement and restitution.

ORS 646.618 and ORS 646.750 are about investigative demand by the Attorney General.

This summary has not been adopted or officially endorsed by action of the committee.

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ORS 646.632 is about enjoining unlawful trade practices.

ORS 646.725 is about prohibited acts to restrict trade or commerce.

ORS 646.730 is about prohibiting actions to monopolize trade or commerce.

ORS 646.760 is about civil penalties for violations concerning prohibited acts to constrain trade and commerce or monopolization.

ORS 646.775 is about actions the Attorney General may take.

ORS 646.780 is about recovery of damages.

PRELIMINARY