

## SB 942 -1 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

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**Prepared By:** Daniel Dietz, LPRO Analyst

**Meeting Dates:** 3/6, 4/8

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#### WHAT THE MEASURE DOES:

This measure mandates that health benefit plans cover children under a legal guardian's care beyond the age of 26 if the plan would otherwise cover the child or the child has an ongoing disability.

#### DETAILED SUMMARY:

- Requires all individuals and group health benefit plans to include coverage for a child whose parent is the child's legal guardian for the duration of the guardianship.
- Requires Health plans to cover disabled children over 26 if they have ongoing disability that prevents them from working and supporting themselves and the child has been covered by parent's insurance for at least two years.
- Specifies that plans must provide coverage for at least two years before the child ages out.
- Clarifies the definition of "disabled" to include the diagnosis of a rare disease. Defines rare diseases as a disease that affects fewer than 200,000 people in the United States.
- Clarifies that "self-sustaining employment" means a job that provides health insurance costing no more than 10% of the individual's gross income.
- Applies new coverage rules to health benefit plans issued, renewed, or extended after the law takes effect.

*Fiscal impact: Fiscal impact issued*

*Revenue impact: No revenue impact*

#### ISSUES DISCUSSED:

#### EFFECT OF AMENDMENT:

-1 Narrows requirement to cover children over 26 to those with disabilities.

#### BACKGROUND:

Insurance plans may allow for coverage of children beyond age 26. In these cases, an insured family can keep a dependent with disabilities on its health plan if the disability begins before age 26, the dependent has continuous health coverage without gaps, and the dependent child is incapable of self-sustaining employment. Typically, a plan requires documentation of the disability and may review eligibility.

Senate Bill 942 requires individual and group health insurance plan issued in Oregon plans to cover children under a legal guardian's care beyond age 26 when conditions are met.

*Analysis prepared by ALEYSA GARCÍA RIVAS.*