

HB 3234 -7 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

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Meeting Dates: 3/20, 4/8

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 measure allows 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. The measure takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF AMENDMENT:

-7 The amendment defines affiliate, health care provider, Insurer, professional medical entity, and Reasonable Person. The amendment excludes health care providers, professional medical entity a hospital, and a hospital-affiliated clinic from the meaning of responsible person. The amendment establishes that a reasonable person or affiliate is prohibited from operation of a health care provider, restricting patient access to health care, limiting a patient to a certain insurer or health insurance plan, or otherwise interfering 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. The amendment declares an emergency, the measure is effective on passage.

BACKGROUND:

The Attorney General

The Oregon Department of Justice serves as the state's law firm. The Oregon DOJ employs about 1,300 individuals statewide and has a biennial budget of approximately \$550 million. The agency is headquartered in Salem and has 10 legal and 13 child support offices throughout the state. The divisions are tasked with running programs related to child support, charitable activities, district attorney assistance, crime victim compensation, and consumer protection.

Director of the Department of Consumer and Business Services

The Director of the Department of Consumer and Business Services may institute actions or other lawful proceedings that the director deems necessary to enforce a provision of the Insurance Code or any order or action the director makes or takes in pursuance of law.

HB 3234 allows the Attorney General and Director to work together to investigate a possible violation