

## **HB 3243 -3 STAFF MEASURE SUMMARY**

### **House Committee On Behavioral Health and Health Care**

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**Meeting Dates:** 2/27, 4/8

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#### **WHAT THE MEASURE DOES:**

The measure prevents some insurance plans from balance billing patients for ambulance ground services in certain situations, requires ambulance service providers to report rates to the Department of Consumer and Business Services (DCBS), and directs DCBS to publish rates in a public database.

#### Detailed Summary

- Applies to health benefit plans, including the Oregon Educators Benefit Board (OEBB) and the Public Employees' Benefit Board (PEBB), and individual and group plans regulated by DCBS. Any self-funded group health plans may opt-in to participate by providing notice to DCBS.
- Prohibits ambulance services from billing individuals enrolled in some health plans for covered ground transportation services (including nonemergency transportation between health care facilities) when the enrollee has paid the in-network cost-sharing amount included in their plan.
- Prohibits some health plans from imposing out-of-pocket maximum costs above \$100 (for in- and out-of-network providers); or imposing a deductible, out-of-pocket maximum, copay, or coinsurance requirement on services from out-of-network providers that exceeds those imposed on in-network providers.
- Requires some health plans to apply out-of-pocket costs toward an enrollee's deductible and to provide an explanation of benefits related to cost-sharing.
- Directs DCBS to create a publicly accessible database of local ambulance ground transportation service rates. Requires ambulance services to submit local rates to DCBS annually and within five days of a rate change. Allows DCBS to impose civil penalties in instances of repeated violations and specifies parameters for determining penalties.
- Requires some health plans to reimburse ambulance services at the rate in the DCBS database; if a local rate does not exist, the reimbursement must be at least 400% of the published Medicare rate.
- Exempts coverage from automatic sunset provisions of the Insurance Code.

#### **ISSUES DISCUSSED:**

- Consumer protection against balance billing practices for Oregon residents experiencing an emergency
- Federal recommendations and other state practices around balance billing
- Prior adoption of legislation around balance billing in Oregon
- Locally established ambulance billing rates
- Reasons for exclusion of ground transportation services from existing state and federal balance billing protections
- Potential implications for health insurance premiums
- Insurance plans that the measure would apply to
- Importance of addressing out of pocket costs for rural Oregon communities
- Balance billing practices with transportation between facilities

#### **EFFECT OF AMENDMENT:**

##### **-3 Replaces the measure.**

- Defines terms, including "established local rate," "ground ambulance services," and "ground ambulance services organization." Defines "health benefit plan" and specifies that provisions of the measure do not

include PEBB and OEBB plans. Defines a "health care facility."

- Stipulates that a ground ambulance service may not bill a plan enrollee for covered services if the enrollee has paid the in-network cost-sharing amount specified in their health benefit plan.
  - Removes the provision prohibiting health plans from imposing out-of-pocket maximum costs above \$100.
  - Specifies that a health benefit plan must reimburse at the established local rate or no less than 325 percent of the Medicare rate.
  - Specifies that PEBB and OEBB may elect to participate in coverage provisions by providing notice to DCBS. Specifies that provisions of the measure do not apply to self-funded group health plans unless the health plan elects to participate by providing notice to DCBS.
- Directs DCBS to create a publicly accessible database of local ambulance ground transportation service rates. Requires ambulance services to submit local rates to DCBS annually and within five days of a rate change. Allows DCBS to impose civil penalties in instances of repeated violations and specifies parameters for determining penalties.
- Directs DCBS to submit a report to the Legislative Assembly by September 15, 2026. Specifies what must be included in the report. Sunsets study provision on January 2, 2027.
- Applies to health benefit plans issued, renewed, or extended on or after the effective date of the measure.

*Fiscal impact: Fiscal impact issued*

*Revenue impact: No revenue impact*

**BACKGROUND:**

The [No Surprises Act](#) banned surprise billing for most out-of-network emergency health services, excluding ambulance ground transportation, beginning in 2022. Surprise bills are generally caused by balance billing, the practice of a provider charging a patient for the difference between an in- and out-of-network health service after a health plan reimburses at the allowed rate. Balance billing frequently occurs after a patient receives emergency services that are out-of-network, or services performed by an out-of-network provider at an in-network facility. Because ground ambulance transportation was excluded from the No Surprises Act, it is left to each state whether to adopt laws prohibiting balance billing practices in situations where ground ambulance services are involved.

House Bill 3243 prevents some insurance plans from balance billing patients for ambulance ground services in certain situations, requires ambulance service providers to report rates to the Department of Consumer and Business Services (DCBS), and directs DCBS to publish rates in a public database.