

House Bill 3234

Sponsored by Representative NATHANSON (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Lets the Attorney General look into or sue a health insurer that breaks the law in certain ways. (Flesch Readability Score: 66.3).

Authorizes the Attorney General, at the Attorney General's own initiative, but in consultation and cooperation with the Director of the Department of Consumer and Business Services, to investigate and bring an action against a health insurer or affiliate of a health insurer in a court of this state to enforce a violation of the antitrust laws of this state, to obtain damages, a civil penalty or restitution, and to enjoin an act or practice that constitutes a monopoly, a business combination in restraint of trade or commerce or a substantial reduction or elimination of competition or competitors within a region or market of this state, or that otherwise constitutes an unlawful trade practice.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to business practices that reduce access to health care in this state; amending ORS 731.256;
3 and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 731.256 is amended to read:

6 731.256. (1) The Director of the Department of Consumer and Business Services may institute
7 actions or other lawful proceedings that the director deems necessary to enforce a provision of the
8 Insurance Code or any order or action the director makes or takes in pursuance of law.

9 (2) As part of or in addition to any action or proceeding the director institutes against an
10 insurer under subsection (1) of this section, the director may:

11 (a) Seek restitution on a consumer's behalf for actual damages the consumer suffers as a result
12 of the insurer's violation of a provision of the Insurance Code or applicable federal law or the
13 insurer's breach of an insurance contract or policy the insurer has with the consumer; and

14 (b) Seek other equitable relief the director deems appropriate under the circumstances.

15 (3) If the director has reason to believe that a person has violated a provision of the Insurance
16 Code or another law that applies to insurance operations, and if the violation is subject to criminal
17 prosecution and in the opinion of the director criminal prosecution is warranted, the director shall
18 give the information about the violation to the Attorney General or district attorney that has ju-
19 risdiction over the violation. The Attorney General or district attorney promptly shall institute an
20 action or a proceeding against the person as the information requires or justifies.

21 (4) An action or proceeding that the director institutes under subsection (1) of this section is
22 an exercise of the director's regulatory authority and, except as otherwise provided in subsection

23 (3) **or (5)** of this section, does not create a cause of action for any other person.

24 **(5)(a) As used in this subsection:**

25 **(A) "Affiliate" has the meaning given that term in ORS 732.548.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (B) "Health insurance" has the meaning given that term in ORS 731.162.

2 (b) If an insurer that issues health insurance, or an affiliate of the insurer, violates ORS
3 646.725 or 646.730 or reduces timely consumer access to health care by an act or practice that
4 constitutes a monopoly, a business combination in restraint of trade or commerce or a sub-
5 stantial reduction or elimination of competition or competitors within a region or market
6 of this state, or that otherwise constitutes an unlawful trade practice, the Attorney General,
7 in addition to bringing any action under subsection (3) of this section that is appropriate or
8 warranted, may at the Attorney General's own initiative but in consultation and cooperation
9 with the director:

10 (A) Investigate the violation or the act or practice as provided in ORS 646.618 or 646.750,
11 as is appropriate for the violation or for the act or practice;

12 (B) Bring an action in a court of this state under ORS 646.632 to enjoin the act or prac-
13 tice or under ORS 646.760 or 646.780, as appropriate, to obtain equitable relief, damages, civil
14 penalties or other relief; or

15 (C) Bring an action in a court of this state to obtain relief on behalf of another person
16 as provided in ORS 646.775.

17 (c) The director shall cooperate with and provide information to the Attorney General
18 that may enable or assist the Attorney General with an investigation or action described in
19 paragraph (b) of this subsection.

20 SECTION 2. This 2025 Act takes effect on the 91st day after the date on which the 2025
21 regular session of the Eighty-third Legislative Assembly adjourns sine die.

22