

House Bill 3590

Sponsored by Representative JAVADI, Senator WEBER

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: This Act tells a children's care provider to bill the same for in-network and out-of-network care sometimes and makes some insurers, OEBB and PEBB pay these care providers in a way that is similar. Takes effect 91 days after it passes. (Flesch Readability Score: 60.1).

Prohibits out-of-network providers from balance billing for pediatric care in certain circumstances. Requires insurers, the Oregon Educators Benefit Board and the Public Employees' Benefit Board to reimburse out-of-network providers in the same way as in-network providers for the same pediatric care and services in certain circumstances.

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

A BILL FOR AN ACT

1
2 Relating to pediatric care; creating new provisions; amending ORS 243.144, 243.877, 750.055 and
3 750.333; and prescribing an effective date.

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

5 **SECTION 1. Section 2 of this 2025 Act is added to and made a part of the Insurance Code.**

6 **SECTION 2. (1) As used in this section:**

7 (a) "Health benefit plan" has the meaning given that term in ORS 743B.005.

8 (b) "In-network" has the meaning given that term in ORS 743B.280.

9 (c) "Out-of-network" has the meaning given that term in ORS 743B.280.

10 (d) "Pediatric care" means health care that treats the physical, behavioral and develop-
11 mental issues that affect children from birth up to 18 years of age.

12 (2) An out-of-network provider that is licensed or certified in this state may not charge
13 an individual insured under a health benefit plan or a health care service contract for the
14 cost of covered pediatric care services provided under the individual's health benefit plan or
15 health care service contract in an amount in excess of the reimbursement paid by the plan
16 or contract if an in-network provider is not available within a 60-mile driving radius.

17 (3) Subsection (2) of this section does not prohibit a provider from billing an individual
18 insured under a health benefit plan or health care service contract for coinsurance,
19 copayments or deductibles applicable to pediatric care provided by in-network providers un-
20 der the terms of the health benefit plan or health care service contract.

21 (4) The group health insurer or issuer of an individual health benefit plan, policy or
22 contract that reimburses out-of-network providers for pediatric care under this section must
23 reimburse out-of-network providers at rates negotiated in good faith with the providers but
24 no less than the average amount of in-network reimbursement rates paid by the insurer for
25 comparable services.

26 (5) This section is exempt from ORS 743A.001.

27 **SECTION 3. ORS 243.144, as amended by section 9, chapter 17, Oregon Laws 2024, is amended**

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 to read:

2 243.144. Benefit plans offered by the Public Employees' Benefit Board that reimburse the cost
3 of medical and other health services and supplies must comply with the requirements for health
4 benefit plan coverage described in:

5 (1) ORS 743A.058;

6 (2) ORS 743A.140;

7 (3) ORS 743A.141;

8 (4) ORS 743B.256;

9 (5) ORS 743B.287 (4);

10 (6) ORS 743B.420;

11 (7) ORS 743B.423;

12 (8) ORS 743B.601;

13 (9) ORS 743B.810;

14 (10) ORS 743A.325; *[and]*

15 (11) ORS 743A.051 (2)(c)[.]; **and**

16 **(12) Section 2 of this 2025 Act.**

17 **SECTION 4.** ORS 243.144, as amended by sections 9 and 10, chapter 17, Oregon Laws 2024, is
18 amended to read:

19 243.144. Benefit plans offered by the Public Employees' Benefit Board that reimburse the cost
20 of medical and other health services and supplies must comply with the requirements for health
21 benefit plan coverage described in:

22 (1) ORS 743A.058;

23 (2) ORS 743A.140;

24 (3) ORS 743A.141;

25 (4) ORS 743B.256;

26 (5) ORS 743B.287 (4);

27 (6) ORS 743B.420;

28 (7) ORS 743B.423;

29 (8) ORS 743B.601;

30 (9) ORS 743B.810; *[and]*

31 (10) ORS 743A.325[.]; **and**

32 **(11) Section 2 of this 2025 Act.**

33 **SECTION 5.** ORS 243.877, as amended by section 11, chapter 17, Oregon Laws 2024, is amended
34 to read:

35 243.877. Benefit plans offered by the Oregon Educators Benefit Board that reimburse the cost
36 of medical and other health services and supplies must comply with the requirements for health
37 benefit plan coverage described in:

38 (1) ORS 743A.058;

39 (2) ORS 743A.140;

40 (3) ORS 743A.141;

41 (4) ORS 743B.256;

42 (5) ORS 743B.287 (4);

43 (6) ORS 743B.420;

44 (7) ORS 743B.423;

45 (8) ORS 743B.601;

1 (9) ORS 743B.810;

2 (10) ORS 743A.325; [and]

3 (11) ORS 743A.051 (2)(c)[.]; and

4 **(12) Section 2 of this 2025 Act.**

5 **SECTION 6.** ORS 243.877, as amended by sections 11 and 12, chapter 17, Oregon Laws 2024, is
6 amended to read:

7 243.877. Benefit plans offered by the Oregon Educators Benefit Board that reimburse the cost
8 of medical and other health services and supplies must comply with the requirements for health
9 benefit plan coverage described in:

10 (1) ORS 743A.058;

11 (2) ORS 743A.140;

12 (3) ORS 743A.141;

13 (4) ORS 743B.256;

14 (5) ORS 743B.287 (4);

15 (6) ORS 743B.420;

16 (7) ORS 743B.423;

17 (8) ORS 743B.601;

18 (9) ORS 743B.810; [and]

19 (10) ORS 743A.325[.]; and

20 **(11) Section 2 of this 2025 Act.**

21 **SECTION 7.** ORS 750.055, as amended by section 3, chapter 24, Oregon Laws 2024, section 4,
22 chapter 35, Oregon Laws 2024, section 21, chapter 70, Oregon Laws 2024, and section 162, chapter
23 73, Oregon Laws 2024, is amended to read:

24 750.055. (1) The following provisions apply to health care service contractors to the extent not
25 inconsistent with the express provisions of ORS 750.005 to 750.095:

26 (a) ORS 705.137, 705.138 and 705.139.

27 (b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398
28 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS
29 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,
30 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

31 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.596, not
32 including ORS 732.582, and ORS 732.650 to 732.689.

33 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
34 to 733.780.

35 (e) ORS 734.014 to 734.440.

36 (f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to
37 742.542.

38 (g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.025,
39 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,
40 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650
41 to 743.656, 743.680 to 743.689, 743.788 and 743.790.

42 (h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,
43 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
44 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
45 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,

1 743A.170, 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260, 743A.310
 2 and 743A.315 and section 2, chapter 771, Oregon Laws 2013, and section 2, chapter 70, Oregon Laws
 3 2024, **and section 2 of this 2025 Act.**

4 (i) ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,
 5 743B.202, 743B.204, 743B.220, 743B.221, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
 6 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310,
 7 743B.320, 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403,
 8 743B.407, 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505,
 9 743B.550, 743B.555, 743B.601, 743B.602 and 743B.800 and section 2, chapter 24, Oregon Laws 2024,
 10 and section 2, chapter 35, Oregon Laws 2024.

11 (j) The following provisions of ORS chapter 744:

12 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
 13 ers;

14 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

15 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

16 (k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
 17 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

18 (2) The following provisions of the Insurance Code apply to health care service contractors ex-
 19 cept in the case of group practice health maintenance organizations that are federally qualified
 20 pursuant to Title XIII of the Public Health Service Act:

21 (a) ORS 731.485, if the group practice health maintenance organization wholly owns and oper-
 22 ates an in-house drug outlet.

23 (b) ORS 743A.024, unless the patient is referred by a physician, physician associate or nurse
 24 practitioner associated with a group practice health maintenance organization.

25 (3) For the purposes of this section, health care service contractors are insurers.

26 (4) Any for-profit health care service contractor organized under the laws of any other state that
 27 is not governed by the insurance laws of the other state is subject to all requirements of ORS
 28 chapter 732.

29 (5)(a) A health care service contractor is a domestic insurance company for the purpose of de-
 30 termining whether the health care service contractor is a debtor, as defined in 11 U.S.C. 109.

31 (b) A health care service contractor's classification as a domestic insurance company under
 32 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510
 33 to 734.710.

34 (6) The Director of the Department of Consumer and Business Services may, after notice and
 35 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025
 36 and 750.045 that are necessary for the proper administration of these provisions.

37 **SECTION 8.** ORS 750.055, as amended by section 21, chapter 771, Oregon Laws 2013, section
 38 7, chapter 25, Oregon Laws 2014, section 82, chapter 45, Oregon Laws 2014, section 9, chapter 59,
 39 Oregon Laws 2015, section 7, chapter 100, Oregon Laws 2015, section 7, chapter 224, Oregon Laws
 40 2015, section 11, chapter 362, Oregon Laws 2015, section 10, chapter 470, Oregon Laws 2015, section
 41 30, chapter 515, Oregon Laws 2015, section 10, chapter 206, Oregon Laws 2017, section 6, chapter
 42 417, Oregon Laws 2017, section 22, chapter 479, Oregon Laws 2017, section 10, chapter 7, Oregon
 43 Laws 2018, section 69, chapter 13, Oregon Laws 2019, section 38, chapter 151, Oregon Laws 2019,
 44 section 5, chapter 441, Oregon Laws 2019, section 85, chapter 97, Oregon Laws 2021, section 12,
 45 chapter 37, Oregon Laws 2022, section 5, chapter 111, Oregon Laws 2023, section 2, chapter 152,

1 Oregon Laws 2023, section 4, chapter 24, Oregon Laws 2024, section 5, chapter 35, Oregon Laws
 2 2024, section 22, chapter 70, Oregon Laws 2024, and section 163, chapter 73, Oregon Laws 2024, is
 3 amended to read:

4 750.055. (1) The following provisions apply to health care service contractors to the extent not
 5 inconsistent with the express provisions of ORS 750.005 to 750.095:

6 (a) ORS 705.137, 705.138 and 705.139.

7 (b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398
 8 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS
 9 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,
 10 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

11 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.596, not
 12 including ORS 732.582, and ORS 732.650 to 732.689.

13 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
 14 to 733.780.

15 (e) ORS 734.014 to 734.440.

16 (f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to
 17 742.542.

18 (g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.025,
 19 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,
 20 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650
 21 to 743.656, 743.680 to 743.689, 743.788 and 743.790.

22 (h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,
 23 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
 24 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
 25 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,
 26 743A.170, 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260, 743A.310
 27 and 743A.315 and section 2, chapter 70, Oregon Laws 2024, **and section 2 of this 2025 Act.**

28 (i) ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,
 29 743B.202, 743B.204, 743B.220, 743B.221, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
 30 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310,
 31 743B.320, 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403,
 32 743B.407, 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505,
 33 743B.550, 743B.555, 743B.601, 743B.602 and 743B.800 and section 2, chapter 24, Oregon Laws 2024,
 34 and section 2, chapter 35, Oregon Laws 2024.

35 (j) The following provisions of ORS chapter 744:

36 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
 37 ers;

38 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

39 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

40 (k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
 41 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

42 (2) The following provisions of the Insurance Code apply to health care service contractors ex-
 43 cept in the case of group practice health maintenance organizations that are federally qualified
 44 pursuant to Title XIII of the Public Health Service Act:

45 (a) ORS 731.485, if the group practice health maintenance organization wholly owns and oper-

1 ates an in-house drug outlet.

2 (b) ORS 743A.024, unless the patient is referred by a physician, physician associate or nurse
3 practitioner associated with a group practice health maintenance organization.

4 (3) For the purposes of this section, health care service contractors are insurers.

5 (4) Any for-profit health care service contractor organized under the laws of any other state that
6 is not governed by the insurance laws of the other state is subject to all requirements of ORS
7 chapter 732.

8 (5)(a) A health care service contractor is a domestic insurance company for the purpose of de-
9 termining whether the health care service contractor is a debtor, as defined in 11 U.S.C. 109.

10 (b) A health care service contractor's classification as a domestic insurance company under
11 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510
12 to 734.710.

13 (6) The Director of the Department of Consumer and Business Services may, after notice and
14 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025
15 and 750.045 that are necessary for the proper administration of these provisions.

16 **SECTION 9.** ORS 750.333, as amended by section 5, chapter 24, Oregon Laws 2024, and section
17 23, chapter 70, Oregon Laws 2024, is amended to read:

18 750.333. (1) The following provisions apply to trusts carrying out a multiple employer welfare
19 arrangement:

20 (a) ORS 705.137, 705.138 and 705.139.

21 (b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
22 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
23 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804, 731.808 and 731.844 to
24 731.992.

25 (c) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

26 (d) ORS 734.014 to 734.440.

27 (e) ORS 742.001 to 742.009, 742.013, 742.016, 742.061 and 742.065.

28 (f) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.023, 743.028, 743.029,
29 743.053, 743.405, 743.406, 743.524, 743.526, 743.535 and 743B.221.

30 (g) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.024, 743A.034, 743A.036, 743A.040,
31 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
32 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
33 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,
34 743A.170, 743A.175, 743A.180, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260
35 and 743A.310 and section 2, chapter 70, Oregon Laws 2024, **and section 2 of this 2025 Act.**

36 (h) ORS 743B.001, 743B.003 to 743B.127 (except 743B.125 to 743B.127), 743B.195, 743B.197,
37 743B.200, 743B.202, 743B.204, 743B.220, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
38 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.320, 743B.321, 743B.330, 743B.340,
39 743B.341, 743B.342, 743B.343, 743B.344, 743B.345, 743B.347, 743B.400, 743B.403, 743B.407, 743B.420,
40 743B.423, 743B.451, 743B.453, 743B.470, 743B.505, 743B.550, 743B.555 and 743B.601 and section 2,
41 chapter 24, Oregon Laws 2024.

42 (i) The following provisions of ORS chapter 744:

43 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
44 ers;

45 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

1 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

2 (j) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

3 (2) For the purposes of this section:

4 (a) A trust carrying out a multiple employer welfare arrangement is an insurer.

5 (b) References to certificates of authority are references to certificates of multiple employer
6 welfare arrangement.

7 (c) Contributions are premiums.

8 (3) The provision of health benefits under ORS 750.301 to 750.341 is the transaction of health
9 insurance.

10 (4) The Department of Consumer and Business Services may adopt rules that are necessary to
11 implement the provisions of ORS 750.301 to 750.341.

12 **SECTION 10. (1) Section 2 of this 2025 Act and the amendments to ORS 750.055 and**
13 **750.333 by sections 7 to 9 of this 2025 Act apply to policies or certificates of health insurance**
14 **or health care service contracts offered, renewed or extended on or after January 1, 2026.**

15 **(2) The amendments to ORS 243.144 and 243.877 by sections 3 to 6 of this 2025 Act apply**
16 **to health benefit plans offered by the Public Employees' Benefit Board or the Oregon Edu-**
17 **cators Benefit Board that are issued, renewed or extended on or after January 1, 2026, and**
18 **for self-insured health benefit plans in effect for periods beginning on or after January 1,**
19 **2026.**

20 **SECTION 11. 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