

## SENATE AMENDMENTS TO SENATE BILL 28

By COMMITTEE ON HEALTH CARE

April 15

1 In line 2 of the printed bill, after “care” insert “; creating new provisions; amending ORS 750.055  
2 and 750.333; and declaring an emergency”.

3 After line 2, insert:

4 “Whereas independent primary care practices are disappearing because they lack the negotiat-  
5 ing leverage of large hospital-based health systems; and

6 “Whereas hospital systems leverage their market power to obtain significantly higher re-  
7 imbursement rates than independent primary care providers for identical services; and

8 “Whereas research published in Health Services Research indicated that, by 2016, hospital out-  
9 patient settings received payments approximately 99 percent higher than independent physician of-  
10 fices for identical services, resulting in substantial payment disparities even for common procedures;  
11 and

12 “Whereas the Congressional Budget Office, in a 2022 report, reiterated that price differential;  
13 and

14 “Whereas a report by Brown University’s School of Public Health found hospital outpatient fa-  
15 cilities charged significantly more for routine medical care compared to independent practices, fur-  
16 ther highlighting the disparity in reimbursement rates; and

17 “Whereas the payment disparity between independent and hospital-affiliated primary care pro-  
18 viders is unfair and harms patient access, choice, and affordability of health care; and

19 “Whereas in the past, hospitals and health systems might have argued it was unfair to disclose  
20 reimbursement rates publicly or to government authorities, the Hospital Price Transparency Final  
21 Rule, implemented under the authority of the Affordable Care Act and reinforced by the Transpar-  
22 ency in Coverage Rule, already mandates this disclosure, rendering such objections no longer rele-  
23 vant; and

24 “Whereas this Act establishes a primary care benchmark reimbursement rate referred to as the  
25 Primary Care Fairness Rate that levels the playing field between big and small, independent and  
26 private, rural and urban and provides independent primary care providers a fair opportunity to  
27 thrive in Oregon; and

28 “Whereas this Act will improve vital access to primary care at a time when Oregon is in pri-  
29 mary care crisis; now, therefore.”.

30 Delete lines 4 through 8 and insert:

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

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

34 “(a) ‘Hospital-based or hospital-affiliated provider’ means a provider located in this state  
35 that provides outpatient services at a hospital or a facility that is under the common control

1 or ownership of a hospital.

2 “(b) ‘Independent practice’ means a medical practice that is wholly owned by providers  
3 where the licensed provider bills insurers for services provided by the provider using:

4 “(A) Diagnosis and procedure codes applicable to the services;

5 “(B) The provider’s own name; and

6 “(C) The national provider identifier for:

7 “(i) The provider; and

8 “(ii) If required by the insurer, the facility in which the provider provides the services.

9 “(c) ‘Primary care provider’ means an individual licensed or certified in this state to  
10 provide primary care services.

11 “(d) ‘Primary care services’ means outpatient, nonspecialized medical services or the  
12 coordination of health care.

13 “(e) ‘Primary care services’ include pediatrics, internal medicine and family medicine for  
14 the purposes of:

15 “(A) Promoting or maintaining mental and physical health and wellness; and

16 “(B) Diagnosis, treatment or management of acute or chronic conditions caused by dis-  
17 ease, illness or injury.

18 “(2) A policy or certificate of health insurance offered in this state that reimburses the  
19 cost of primary care services, shall reimburse primary care providers practicing in inde-  
20 pendent practices at the same contracted reimbursement rate for the same services as pro-  
21 viders providing the same primary care services within a hospital-based or hospital-affiliated  
22 health system.

23 “(3) The Department of Consumer and Business Services:

24 “(a) Shall adopt by rule the American Medical Association’s Current Procedural Termi-  
25 nology codes that apply to primary care services.

26 “(b) Shall adopt by rule the Primary Care Fairness Rate. The Primary Care Fairness Rate  
27 shall be an annual benchmark reimbursement rate that is based on current primary care  
28 reimbursement rates provided from hospital systems located in this state. The benchmark  
29 reimbursement rate shall be set at the highest primary care reimbursement rate reported  
30 by hospital-based or hospital-affiliated providers in the appropriate geographic market.

31 “(c) Shall publish the applicable American Medical Association’s Current Procedural  
32 Terminology codes and benchmark reimbursement rates described in this subsection no later  
33 than March 1 of each calendar year.

34 “(d) May adopt rules necessary to implement this section.

35 “(4) Insurers may not reduce the reimbursement paid to hospital-based or hospital-  
36 affiliated providers in order to comply with this section.

37 “(5) Primary care providers practicing in an independent practice may elect not to be  
38 reimbursed by an insurer at the Primary Care Fairness Rate.

39 “(6) This section does not apply to policies or certificates of health insurance issued by  
40 the Public Employees’ Benefit Board or the Oregon Educators Benefit Board.

41 “**SECTION 3.** ORS 750.055, as amended by section 3, chapter 24, Oregon Laws 2024, section 4,  
42 chapter 35, Oregon Laws 2024, section 21, chapter 70, Oregon Laws 2024, and section 162, chapter  
43 73, Oregon Laws 2024, is amended to read:

44 “750.055. (1) The following provisions apply to health care service contractors to the extent not  
45 inconsistent with the express provisions of ORS 750.005 to 750.095:

1           “(a) ORS 705.137, 705.138 and 705.139.

2           “(b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398  
3 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS  
4 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,  
5 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

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

8           “(d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695  
9 to 733.780.

10          “(e) ORS 734.014 to 734.440.

11          “(f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to  
12 742.542.

13          “(g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.025,  
14 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,  
15 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650  
16 to 743.656, 743.680 to 743.689, 743.788 and 743.790.

17          “(h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,  
18 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,  
19 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,  
20 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,  
21 743A.170, 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260, 743A.310  
22 and 743A.315 and section 2, chapter 771, Oregon Laws 2013, and section 2, chapter 70, Oregon Laws  
23 2024, **and section 2 of this 2025 Act.**

24          “(i) ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,  
25 743B.202, 743B.204, 743B.220, 743B.221, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,  
26 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310,  
27 743B.320, 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403,  
28 743B.407, 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505,  
29 743B.550, 743B.555, 743B.601, 743B.602 and 743B.800 and section 2, chapter 24, Oregon Laws 2024,  
30 and section 2, chapter 35, Oregon Laws 2024.

31          “(j) The following provisions of ORS chapter 744:

32           “(A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance pro-  
33 ducers;

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

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

36          “(k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608,  
37 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and  
38 746.690.

39          “(2) The following provisions of the Insurance Code apply to health care service contractors  
40 except in the case of group practice health maintenance organizations that are federally qualified  
41 pursuant to Title XIII of the Public Health Service Act:

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

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

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

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

5 “(5)(a) A health care service contractor is a domestic insurance company for the purpose of  
6 determining whether the health care service contractor is a debtor, as defined in 11 U.S.C. 109.

7 “(b) A health care service contractor’s classification as a domestic insurance company under  
8 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510  
9 to 734.710.

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

13 “**SECTION 4.** ORS 750.055, as amended by section 21, chapter 771, Oregon Laws 2013, section  
14 7, chapter 25, Oregon Laws 2014, section 82, chapter 45, Oregon Laws 2014, section 9, chapter 59,  
15 Oregon Laws 2015, section 7, chapter 100, Oregon Laws 2015, section 7, chapter 224, Oregon Laws  
16 2015, section 11, chapter 362, Oregon Laws 2015, section 10, chapter 470, Oregon Laws 2015, section  
17 30, chapter 515, Oregon Laws 2015, section 10, chapter 206, Oregon Laws 2017, section 6, chapter  
18 417, Oregon Laws 2017, section 22, chapter 479, Oregon Laws 2017, section 10, chapter 7, Oregon  
19 Laws 2018, section 69, chapter 13, Oregon Laws 2019, section 38, chapter 151, Oregon Laws 2019,  
20 section 5, chapter 441, Oregon Laws 2019, section 85, chapter 97, Oregon Laws 2021, section 12,  
21 chapter 37, Oregon Laws 2022, section 5, chapter 111, Oregon Laws 2023, section 2, chapter 152,  
22 Oregon Laws 2023, section 4, chapter 24, Oregon Laws 2024, section 5, chapter 35, Oregon Laws  
23 2024, section 22, chapter 70, Oregon Laws 2024, and section 163, chapter 73, Oregon Laws 2024, is  
24 amended to read:

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

27 “(a) ORS 705.137, 705.138 and 705.139.

28 “(b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398  
29 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS  
30 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,  
31 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

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

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

36 “(e) ORS 734.014 to 734.440.

37 “(f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to  
38 742.542.

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

43 “(h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,  
44 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,  
45 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,

1 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,  
2 743A.170, 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260, 743A.310  
3 and 743A.315 and section 2, chapter 70, Oregon Laws 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 pro-  
13 ducers;

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,  
17 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and  
18 746.690.

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

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

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

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

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

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

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

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

38 “**SECTION 5.** ORS 750.333, as amended by section 5, chapter 24, Oregon Laws 2024, and section  
39 23, chapter 70, Oregon Laws 2024, is amended to read:

40 “750.333. (1) The following provisions apply to trusts carrying out a multiple employer welfare  
41 arrangement:

42 “(a) ORS 705.137, 705.138 and 705.139.

43 “(b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
44 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
45 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804, 731.808 and 731.844 to

1 731.992.

2 “(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.

3 “(d) ORS 734.014 to 734.440.

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

5 “(f) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.023, 743.028, 743.029,  
6 743.053, 743.405, 743.406, 743.524, 743.526, 743.535 and 743B.221.

7 “(g) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.024, 743A.034, 743A.036, 743A.040,  
8 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,  
9 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,  
10 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,  
11 743A.170, 743A.175, 743A.180, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260  
12 and 743A.310 and section 2, chapter 70, Oregon Laws 2024, **and section 2 of this 2025 Act.**

13 “(h) ORS 743B.001, 743B.003 to 743B.127 (except 743B.125 to 743B.127), 743B.195, 743B.197,  
14 743B.200, 743B.202, 743B.204, 743B.220, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,  
15 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.320, 743B.321, 743B.330, 743B.340,  
16 743B.341, 743B.342, 743B.343, 743B.344, 743B.345, 743B.347, 743B.400, 743B.403, 743B.407, 743B.420,  
17 743B.423, 743B.451, 743B.453, 743B.470, 743B.505, 743B.550, 743B.555 and 743B.601 and section 2,  
18 chapter 24, Oregon Laws 2024.

19 “(i) The following provisions of ORS chapter 744:

20 “(A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance pro-  
21 ducers;

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

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

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

25 “(2) For the purposes of this section:

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

27 “(b) References to certificates of authority are references to certificates of multiple employer  
28 welfare arrangement.

29 “(c) Contributions are premiums.

30 “(3) The provision of health benefits under ORS 750.301 to 750.341 is the transaction of health  
31 insurance.

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

34 “**SECTION 6. No later than January 1, 2026, the Department of Consumer and Business  
35 Services shall finalize and publish the requirements described in section 2 (3) of this 2025 Act.**

36 “**SECTION 7. (1) Section 2 of this 2025 Act and the amendments to ORS 750.055 and  
37 750.333 by sections 3 to 5 of this 2025 Act become operative and apply to health insurance  
38 policies, health care service contracts and multiple employer welfare arrangements issued,  
39 renewed or extended on or after January 1, 2026.**

40 “**(2) The Department of Consumer and Business Services may take any action before the  
41 operative date specified in subsection (1) of this section that is necessary to enable the de-  
42 partment to exercise, on or after the operative date specified in subsection (1) of this section,  
43 all of the duties, functions and powers conferred on the department by section 2 of this 2025  
44 Act.**

45 “**SECTION 8. Section 6 of this 2025 Act is repealed on June 30, 2026.**

1           **“SECTION 9. This 2025 Act being necessary for the immediate preservation of the public**  
2 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**  
3 **on its passage.”.**

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