

## A-Engrossed Senate Bill 699

Ordered by the Senate April 15  
Including Senate Amendments dated April 15

Sponsored by Senator REYNOLDS, Representative PHAM H; Senators BROADMAN, GELSER BLOUIN, PHAM K, SOLLMAN, WEBER, Representatives ELMER, GAMBA, GOMBERG, GRAYBER, HELM, HUDSON, LEVY B, LIVELY, NELSON, RUIZ, WALTERS, WRIGHT (Presession 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. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest: This Act tells some health insurance to cover certain devices for more patients and allows OEGB and PEBB to be exempt. (Flesch Readability Score: 68.6).**

*[Digest: This Act tells health insurance to cover devices for more patients. (Flesch Readability Score: 72.6).]*

Expands the health insurance coverage of prosthetic and orthotic devices **and exempts the Public Employees' Benefit Board and Oregon Educators Benefit Board from the expansion of covered services unless the boards provide notice to the Department of Consumer and Business Services.**

*[Declares an emergency, effective on passage.]*

### A BILL FOR AN ACT

Relating to medical devices; creating new provisions; and amending ORS 743A.145.

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

**SECTION 1.** ORS 743A.145 is amended to read:

743A.145. (1) As used in this section:

**(a) "Device" means:**

**(A) An orthotic device.**

**(B) A prosthetic device.**

*[(a)] (b) "Orthotic device" means a rigid or semirigid device supporting a weak or deformed leg, foot, arm, hand, back or neck, or restricting or eliminating motion in a diseased or injured leg, foot, arm, hand, back or neck.*

*[(b)] (c) "Prosthetic device" means an artificial limb device or appliance designed to replace in whole or in part an arm or a leg.*

(2) All individual and group health insurance policies providing coverage for the expenses of hospital, medical or surgical services or supplies shall provide coverage for *[prosthetic and orthotic] devices. [that are medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities and that are not solely for comfort or convenience.]* The coverage required by this subsection includes:

**(a) Devices that are determined to be medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities and that are not solely for comfort or convenience.**

**(b)** All services and supplies medically necessary for the effective use of a *[prosthetic or orthotic]* device, including design formulation, fabrication, material and component selection, meas-

**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.

urements, fittings, static and dynamic alignments and patient instruction in the use of the device.

(c) **Replacement of a device or any part of a device, if the replacement is determined to be medically necessary, based on:**

(A) **A change in the physiological condition of the insured;**

(B) **An irreparable change in the condition of the device or part of the device; or**

(C) **The device, or a part of the device, requiring repair and the cost of the repair would be more than 60 percent of the cost of the replacement device or replacement part of the device.**

(d) **Repair of a device or any part of a device, if the repair is determined to be medically necessary, based on:**

(A) **A change in the physiological condition of the insured; or**

(B) **A change in the condition of the device or part of the device.**

(e) **Devices that are determined to be medically necessary and the most appropriate model that meets the medical needs of the insured for purposes of performing physical activities, including but not limited to running, biking, swimming and strength training, and that maximizes the insured's whole-body health, including lower and upper limb function.**

(3) The Director of the Department of Consumer and Business Services shall adopt and annually update rules listing the *[prosthetic and orthotic]* devices covered under this section. The list shall be no more restrictive than the list of *[prosthetic and orthotic]* devices and supplies in the Medicare fee schedule for Durable Medical Equipment, Prosthetics, Orthotics and Supplies, but only to the extent consistent with this section.

(4) The coverage required by subsection (2) of this section may be made subject to, and no more restrictive than, the provisions of a health insurance policy that apply to other benefits under the policy.

*[(5) The coverage required by subsection (2) of this section shall include any repair or replacement of a prosthetic or orthotic device that is determined medically necessary to restore or maintain the ability to complete activities of daily living or essential job-related activities and that is not solely for comfort or convenience.]*

*[(6)]* (5) If the coverage under subsection (2) of this section is provided through a managed care organization, the insured shall have access to medically necessary clinical care and to *[prosthetic and orthotic]* devices and technology from not fewer than two distinct Oregon prosthetic and orthotic providers in the managed care organization's provider network.

(6) **An individual or group health plan may not deny coverage for a prosthetic or orthotic benefit for an insured with limb loss, impairment or absence to restore or maintain the ability to perform a physical activity if a benefit would be covered for medical or surgical intervention for a person without limb loss, impairment or absence to restore or maintain the ability to perform the same physical activity.**

(7) **For coverage described in subsection (2)(c) of this section, an insurer may require confirmation from the prescribing health care provider that the coverage is medically necessary if the device, or any part of the device, requires replacement and is less than three years old.**

*[(7)]* (8) This section is exempt from ORS 743A.001.

(9) **The coverage requirements described in subsections (2)(e), (6) and (7) of this section do not apply to a health benefit plan offered by the Public Employees' Benefit Board or the Oregon Educators Benefit Board, unless the plans offered by the Public Employees' Benefit**

1    **Board or the Oregon Educators Benefit Board elect to provide the coverage and provide no-**  
2    **tice to the Department of Consumer and Business Services in the form and manner described**  
3    **by the department by rule.**

4        **SECTION 2. The amendments to ORS 743A.145 by section 1 of this 2025 Act apply to**  
5    **policies or certificates of health insurance issued, renewed or extended on or after January**  
6    **1, 2026.**

7

---