Enrolled
Senate Bill 824

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with presession filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Tina Kotek for Department of Consumer and Business Services)

CHAPTER .....

AN ACT

Relating to health insurance; amending ORS 743B.427.

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

SECTION 1. ORS 743B.427, as amended by section 7, chapter 629, Oregon Laws 2021, and sections 157 and 157a, chapter 73, Oregon Laws 2024, is amended to read:

743B.427. (1) As used in this section:

(a) "Behavioral health benefits" means insurance coverage of mental health treatment and services and substance use disorder treatment and services.

(b) "Carrier" has the meaning given that term in ORS 743B.005.

(c) "Geographic region" means the geographic area of the state established by the Department of Consumer and Business Services for the purpose of determining geographic average rates, as defined in ORS 743B.005.

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

(e) "Median maximum allowable reimbursement rate" means the median of all maximum allowable reimbursement rates, minus incentive payments, paid for each billing code for each provider type during a calendar year.

(f) "Mental health treatment and services" means the treatment of or services provided to address any condition or disorder that falls under any of the diagnostic categories listed in the mental disorders section of the current edition of the:

(A) International Classification of Disease; or

(B) Diagnostic and Statistical Manual of Mental Disorders.

(g) "Nonquantitative treatment limitation" means a limitation that is not expressed numerically but otherwise limits the scope or duration of behavioral health benefits.

(h) "Substance use disorder treatment and services" means the treatment of or services provided to address any condition or disorder that falls under any of the diagnostic categories listed in the substance use section of the current edition of the:

(A) International Classification of Disease; or

(B) Diagnostic and Statistical Manual of Mental Disorders.

(2) Each carrier that offers an individual or group health benefit plan in this state that provides behavioral health benefits shall conduct an annual analysis of whether the processes, strategies, specific evidentiary standards or other factors the carrier used to design, determine applicability of and apply each nonquantitative treatment limitation to behavioral health benefits within each

classification of benefits are comparable to, and are applied no more stringently than, the processes, strategies, specific evidentiary standards or other factors the carrier used to design, determine applicability of and apply each nonquantitative treatment limitation to medical and surgical benefits within the corresponding classification of benefits.

(3) On or before March 1 of each year, all carriers that offer individual or group health benefit plans in this state that provide behavioral health benefits shall report to the Department of Consumer and Business Services, in the form and manner prescribed by the department, the following information:

(a) The specific plan or coverage terms or other relevant terms regarding the nonquantitative treatment limitations and a description of all mental health or substance use disorder and medical or surgical benefits to which each such term applies in each respective benefits classification.

(b) The factors used to determine that the nonquantitative treatment limitations will apply to mental health or substance use disorder benefits and medical or surgical benefits.

(c) The evidentiary standards used for the factors identified in paragraph (b) of this subsection, when applicable, provided that every factor is defined, and any other source or evidence relied upon to design and apply the nonquantitative treatment limitations to mental health or substance use disorder benefits and medical or surgical benefits.

(d) The comparative analyses demonstrating that the processes, strategies, evidentiary standards and other factors used to apply the nonquantitative treatment limitations to mental health or substance use disorder benefits, as written and in operation, are comparable to, and are applied no more stringently than, the processes, strategies, evidentiary standards and other factors used to apply the nonquantitative treatment limitations to medical or surgical benefits in the benefits classification.

(e) The specific findings and conclusions reached by the insurer with respect to the health insurance coverage, including any results of the analyses described in paragraphs (a) to (d) of this subsection that indicate that the plan or coverage is or is not in compliance with this section.

(f) The number of denials of behavioral health benefits and medical and surgical benefits, the percentage of denials that were appealed, the percentage of appeals that upheld the denial and the percentage of appeals that overturned the denial.

(g) The percentage of claims for behavioral health benefits and medical and surgical benefits that were paid to in-network providers and the percentage of such claims that were paid to out-of-network providers.

(h) The median maximum allowable reimbursement rate for each time-based office visit billing code for each behavioral treatment provider type and each medical provider type.

(i) The reimbursement rate in each geographic region for a time-based office visit and the percentage of the Medicare rate the reimbursement rate represents, paid to:

(A) Psychiatrists.

(B) Psychiatric mental health nurse practitioners.

(C) Psychologists.

(D) Licensed clinical social workers.

(E) Licensed professional counselors.

(F) Licensed marriage and family therapists.

(j) The reimbursement rate in each geographic region for a time-based office visit and the percentage of the Medicare rate the reimbursement rate represents, paid to:

(A) Physicians.

(B) Physician associates.

(C) Licensed nurse practitioners.

(k) The specific findings and conclusions of the carrier under subsection (2) of this section demonstrating compliance with ORS 743A.168 and the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110-343) and rules adopted thereunder.

[*(f)*] **(L)** Other data or information the department deems necessary to assess a carrier's compliance with mental health parity requirements.

(4) All documents provided to, disclosed to or obtained by the Department of Consumer and Business Services pursuant to subsection (3) of this section are provided, disclosed or obtained for the purpose of administering the Insurance Code and shall be confidential and not subject to public disclosure, as provided in ORS 705.137.

[*(4)*] **(5)** No later than September 15 of each calendar year, the department shall report to the interim committees of the Legislative Assembly related to mental or behavioral health, in the manner provided in ORS 192.245, **a summary of** the information reported under subsection (3) of this section, including the department's overall comparison of carriers' coverage of mental health treatment and services and substance use disorder treatment and services to carriers' coverage of medical or surgical treatments or services.

Passed by Senate June 26, 2025

.....
Obadiah Rutledge, Secretary of Senate

.....
Rob Wagner, President of Senate

Passed by House June 27, 2025

.....
Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

.....
Tobias Read, Secretary of State