HB 3234-4 (LC 1775) 3/19/25 (TSB/ps)

Requested by Representative NATHANSON

## PROPOSED AMENDMENTS TO HOUSE BILL 3234

- On page 1 of the printed bill, line 2, after the first semicolon delete the
- 2 rest of the line and line 3 and insert "and declaring an emergency.".
- Delete lines 5 through 25 and delete page 2 and insert:
- 4 "SECTION 1. (1) As used in this section:
- "(a) 'Affiliate' means a person that controls, is controlled by or is
- 6 under common control with another person, whether by ownership of
- 7 an interest in the person or the other person, or by means of a con-
- 8 tractual arrangement or other agreement that provides for the right
- 9 to direct the management of the person or the other person.
- "(b) 'Health care provider' has the meaning given that term in ORS
- 11 **413.164.**
- "(c) 'Health insurance' has the meaning given that term in ORS
- 13 **731.162.**
- "(d) 'Insurer' has the meaning given that term in ORS 731.106.
- 15 "(e) 'Professional medical entity' means:
- 16 "(A) A professional corporation, as described in ORS 58.375; or
- "(B) A professional corporation, as described in ORS 58.376.
- 18 "(f)(A) 'Responsible person' means:
- "(i) An insurer that issues policies of health insurance in this state;
- 20 "(ii) A pharmacy benefit manager, as defined in ORS 735.530;
- "(iii) A pharmacy services administrative organization, as defined

- in section 2, chapter 87, Oregon Laws 2024;
- "(iv) A person that provides services for or on behalf of a health care provider that include:
- 4 "(I) Payroll;

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- 5 "(II) Human resources;
- 6 "(III) Employment screening;
- 7 "(IV) Employee relations; or
- "(V) Any other administrative or business service that supports or enables a health care provider to provide health care but that does not constitute practicing medicine, as described in ORS 677.085, or enabling physicians, physician associates and nurse practitioners to jointly render professional health care services; or
  - "(v) A person that employs a health care provider or furnishes clinical facilities, offices, equipment or other means by which a health care provider may provide health care or services related to health care.
- 17 "(B) 'Responsible person' does not include a health care provider 18 or a professional medical entity.
- 19 **"(2)** A responsible person or an affiliate of a responsible person may 20 **not:**
- "(a) Exercise de facto control over administrative, business or clinical operations of a health care provider or a professional medical entity in a manner that affects the health care provider's or professional medical entity's clinical decision making or the nature or quality of medical care that the health care provider or professional medical entity delivers, which de facto control includes, but is not limited to, exercising ultimate decision-making authority over:
- "(A) Hiring or terminating, setting work schedules or compensation for, or otherwise specifying terms of employment of health care providers;

- "(B) Setting clinical staffing levels, or specifying the period of time a health care provider may see a patient, for any location that serves patients;
- 4 "(C) Making diagnostic coding decisions;

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- 5 "(D) Setting clinical standards or policies;
- 6 "(E) Setting policies for patient, client or customer billing and col-7 lection; or
- "(F) Setting the prices, rates or amounts a health care provider or professional medical entity charges for the health care provider's services.
  - "(b) Restrict or reduce a patient's access to health care that is covered by a health insurance plan or policy.
  - "(c) Limit or direct a patient to a certain insurer or certain health insurance plan or policy as a condition of access to a health care provider's or professional medical entity's services. This paragraph does not require a responsible person, health care provider or professional medical entity to accept all health insurance plans or policies or limit the responsible person's, health care provider's or professional medical entity's choice of which health insurance plans or policies to accept for the purpose of providing health care.
  - "(d) Otherwise hinder or interfere with the professional medical judgment of a health care provider or professional medical entity in administering appropriate health care to a patient.
  - "(3)(a) Notwithstanding ORS 731.236 and 731.256 (4), if the Attorney General determines that a responsible person has violated or is likely to violate this section, the Attorney General may issue and serve an investigative demand as provided in ORS 646A.589. Solely for the purpose of issuing the investigative demand, the Attorney General may treat a violation of this section as equivalent to a violation of ORS 646A.570 to 646A.589.

- "(b) Notwithstanding ORS 731.236 and 731.256 (4), the Attorney
  General may, after completing an investigation under paragraph (a)
  of this subsection or, in circumstances the Attorney General deems
  appropriate, without first executing an investigative demand, bring an
  action in a circuit court of this state to:
- 6 "(A) Enjoin a responsible person from a violation of this section; 7 or
- "(B) Seek a penalty in an amount that does not exceed \$20,000 for each instance of the violation, except that in the case of a continuing violation, the penalty for each day's violation may not exceed \$1,000 and the total penalty for the continuing violation may not exceed \$100,000.
  - "(c) A court, as appropriate, may:
  - "(A) Punish as contempt a responsible person's disobedience of a final order of a court under this subsection; or
  - "(B) Award to the Attorney General the costs of an investigation under paragraph (a) of this subsection or the Attorney General's attorney fees and costs in an action under paragraph (b) of this subsection.
  - "SECTION 2. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage."

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