

## **SB 1529 -1, -2 STAFF MEASURE SUMMARY**

### **Senate Committee On Health Care**

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**Meeting Dates:** 2/11

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#### **WHAT THE MEASURE DOES:**

Directs the Oregon Health Authority to study health care.

Fiscal impact: May have fiscal impact, no statement yet issued.

Revenue impact: May have revenue impact, no statement yet issued.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-1 Requires state-regulated health plans and health care providers, when contract negotiations result in a substantial risk of a gap in coverage for more than 30,000 Oregonians, to agree to participate in mediation and binding arbitration.

Requires health plans and providers to:

- Agree in writing to participate in mediation and arbitration.
- Allow a 15-day cooling off period, during which the parties shall choose a mediator, who must be a senior judge or a qualified legal practitioner with extensive experience in health insurance. If the parties do not agree on a mediator, the Governor will choose one from names to be submitted by the parties.
- Engage in mediation for 120 days or until the mediator declares an impasse.
- Following the second cooling off period, submit to arbitration before the Governor or the Governor's designee, who shall issue a binding determination within five days of the conclusion of arbitration.

A party that does not comply with mediation and arbitration terms may be subject to civil penalties. Becomes operative January 1, 2028.

-2 Replaces the measure. Changes the operative date for requirements for nurse staffing ratios as provided under ORS 441.765 to July 1, 2027.

#### **BACKGROUND:**

Health insurance plans negotiate and enter into contracts for rates of payment with providers for services covered by the insurance policy. [ORS Chapter 743B](#). Courts in Oregon refer parties to mediation and to mandatory arbitration, including in matters that arise from commercial relationships. [ORS Chapter 036](#).

Senate Bill 1529-1 requires state-regulated health plans and health care providers, upon an impasse in contract negotiations, to agree to participate in mediation and binding arbitration.