

# House Bill 3058

Sponsored by Representative KOTTEK

## 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 **as introduced**.

Changes definition of prepaid managed care health services organization for purposes of managed care assessment.

Repeals sunset.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to managed care assessment; amending sections 37, 38 and 45, chapter 736, Oregon Laws  
3 2003; repealing sections 49, 50 and 51, chapter 736, Oregon Laws 2003; prescribing an effective  
4 date; and providing for revenue raising that requires approval by a three-fifths majority.

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

6 **SECTION 1.** Section 37, chapter 736, Oregon Laws 2003, is amended to read:

7 **Sec. 37.** As used in sections 37 to 44, **chapter 736, Oregon Laws 2003** [of this 2003 Act]:

8 (1) "Managed care premiums" means premium payments paid to a prepaid managed care health  
9 services organization, but does not include Medicare premiums.

10 (2) "Prepaid managed care health services organization" or "organization" means a [*managed*  
11 *health, dental, mental health or chemical dependency organization that contracts with the Department*  
12 *of Human Services on a prepaid capitated basis under ORS 414.725. A prepaid managed care health*  
13 *services organization may be a*] dental care organization, fully capitated health plan, physician care  
14 organization, mental health organization or chemical dependency organization **that provides health**  
15 **services on a prepaid capitated basis.**

16 **SECTION 2.** Section 38, chapter 736, Oregon Laws 2003, is amended to read:

17 **Sec. 38.** (1) An assessment is imposed on each prepaid managed care health services organiza-  
18 tion in this state. The assessment shall be imposed at [*a rate set by the Director of Human Services.*  
19 *The rate may not exceed* six] **5.5** percent of managed care premiums paid to an organization.

20 (2) The assessment shall be reported on a form prescribed by the Department of Human Services  
21 and shall contain the information required to be reported by the department. The assessment form  
22 shall be filed with the department on or before the 75th day following the end of the calendar  
23 quarter for which the assessment is being reported. The organization shall pay the assessment at the  
24 time the organization files the assessment report. The payment shall accompany the report.

25 (3) A prepaid managed care health services organization is not guaranteed that any additional  
26 moneys paid to the organization shall equal or exceed the amount of the assessment paid by the  
27 organization.

28 **SECTION 3.** Section 45, chapter 736, Oregon Laws 2003, is amended to read:

29 **Sec. 45.** Sections 37 to 44, **chapter 736, Oregon Laws 2003**, [of this 2003 Act] apply to managed  
30 care premiums received by prepaid managed care health services organizations on or after January

**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.

1 1, 2004[, and before January 1, 2008].

2 **SECTION 4. Sections 49, 50 and 51, chapter 736, Oregon Laws 2003, are repealed.**

3 **SECTION 5. This 2007 Act takes effect on the 91st day after the date on which the reg-**  
4 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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