

# Senate Bill 356

Sponsored by Senator MORRISETTE (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 **as introduced**.

Requires group health insurance policies to cover hospital or medical expenses for injuries arising from motorcycle or bicycle activities.

## A BILL FOR AN ACT

1  
2 Relating to group health insurance policies; creating new provisions; and amending ORS 743.700,  
3 750.055 and 750.333.

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

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS chapter 743.**

6 **SECTION 2. (1) A group health insurance policy providing coverage for hospital or med-**  
7 **ical expenses may not exclude coverage for expenses associated with the treatment of inju-**  
8 **ries arising from motorcycle or bicycle activities.**

9 **(2) This section is exempt from ORS 743.700.**

10 **SECTION 3. ORS 750.055 is amended to read:**

11 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
12 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

13 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
14 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
15 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
16 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

17 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
18 including ORS 732.582.

19 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695  
20 to 733.780.

21 (d) ORS chapter 734.

22 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
23 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
24 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to  
25 743.552, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
26 743.699, 743.701, 743.706 to 743.712, 743.721, 743.722, 743.726, 743.727, 743.728, 743.729, 743.793,  
27 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857,  
28 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868 **and section 2 of this 2007**  
29 **Act.**

30 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

31 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,

**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.

1 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

2 (h) ORS 743.714, except in the case of group practice health maintenance organizations that are  
3 federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is re-  
4 ferred by a physician associated with a group practice health maintenance organization.

5 (i) ORS 735.600 to 735.650.

6 (j) ORS 743.680 to 743.689.

7 (k) ORS 744.700 to 744.740.

8 (L) ORS 743.730 to 743.773.

9 (m) ORS 731.485, except in the case of a group practice health maintenance organization that  
10 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns  
11 and operates an in-house drug outlet.

12 (2) For the purposes of this section, health care service contractors shall be deemed insurers.

13 (3) Any for-profit health care service contractor organized under the laws of any other state that  
14 is not governed by the insurance laws of the other state is subject to all requirements of ORS  
15 chapter 732.

16 (4) The Director of the Department of Consumer and Business Services may, after notice and  
17 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
18 and 750.045 that are deemed necessary for the proper administration of these provisions.

19 **SECTION 4.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,  
20 chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and  
21 6, chapter 255, Oregon Laws 2005, and section 5, chapter 418, Oregon Laws 2005, is amended to  
22 read:

23 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
24 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

25 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
26 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
27 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
28 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

29 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
30 including ORS 732.582.

31 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695  
32 to 733.780.

33 (d) ORS chapter 734.

34 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
35 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
36 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to  
37 743.552, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
38 743.699, 743.701, 743.706 to 743.712, 743.721, 743.722, 743.727, 743.728, 743.729, 743.793, 743.804,  
39 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,  
40 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868 **and section 2 of this 2007 Act.**

41 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

42 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
43 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

44 (h) ORS 743.714, except in the case of group practice health maintenance organizations that are  
45 federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is re-

1 ferred by a physician associated with a group practice health maintenance organization.

2 (i) ORS 735.600 to 735.650.

3 (j) ORS 743.680 to 743.689.

4 (k) ORS 744.700 to 744.740.

5 (L) ORS 743.730 to 743.773.

6 (m) ORS 731.485, except in the case of a group practice health maintenance organization that  
7 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns  
8 and operates an in-house drug outlet.

9 (2) For the purposes of this section, health care service contractors shall be deemed insurers.

10 (3) Any for-profit health care service contractor organized under the laws of any other state that  
11 is not governed by the insurance laws of the other state is subject to all requirements of ORS  
12 chapter 732.

13 (4) The Director of the Department of Consumer and Business Services may, after notice and  
14 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
15 and 750.045 that are deemed necessary for the proper administration of these provisions.

16 **SECTION 5.** ORS 750.333 is amended to read:

17 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
18 tiple employer welfare arrangement:

19 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
20 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
21 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

22 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

23 (c) ORS chapter 734.

24 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.

25 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
26 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
27 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
28 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
29 743.864 **and section 2 of this 2007 Act.**

30 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
31 743.717, 743.718, 743.719, 743.721, 743.722, 743.725 and 743.726. Multiple employer welfare arrange-  
32 ments to which ORS 743.730 to 743.773 apply are subject to the sections referred to in this para-  
33 graph only as provided in ORS 743.730 to 743.773.

34 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
35 ance consultants, and ORS 744.700 to 744.740.

36 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

37 (i) ORS 731.592 and 731.594.

38 (2) For the purposes of this section:

39 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

40 (b) References to certificates of authority shall be considered references to certificates of mul-  
41 tiple employer welfare arrangement.

42 (c) Contributions shall be considered premiums.

43 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
44 transaction of health insurance.

45 **SECTION 6.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, is amended

1 to read:

2 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
3 tiple employer welfare arrangement:

4 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
5 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
6 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

7 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

8 (c) ORS chapter 734.

9 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.

10 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
11 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
12 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
13 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
14 743.864 **and section 2 of this 2007 Act.**

15 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
16 743.717, 743.718, 743.719, 743.721, 743.722 and 743.725. Multiple employer welfare arrangements to  
17 which ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only  
18 as provided in ORS 743.730 to 743.773.

19 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
20 ance consultants, and ORS 744.700 to 744.740.

21 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

22 (i) ORS 731.592 and 731.594.

23 (2) For the purposes of this section:

24 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

25 (b) References to certificates of authority shall be considered references to certificates of mul-  
26 tiple employer welfare arrangement.

27 (c) Contributions shall be considered premiums.

28 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
29 transaction of health insurance.

30 **SECTION 7.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 3,  
31 chapter 446, Oregon Laws 2003, and section 6, chapter 418, Oregon Laws 2005, is amended to read:

32 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
33 tiple employer welfare arrangement:

34 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
35 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
36 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

37 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

38 (c) ORS chapter 734.

39 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.

40 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
41 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
42 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
43 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
44 743.864 **and section 2 of this 2007 Act.**

45 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,

1 743.717, 743.718, 743.719, 743.721 and 743.722. Multiple employer welfare arrangements to which ORS  
 2 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as provided  
 3 in ORS 743.730 to 743.773.

4 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
 5 ance consultants, and ORS 744.700 to 744.740.

6 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

7 (i) ORS 731.592 and 731.594.

8 (2) For the purposes of this section:

9 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

10 (b) References to certificates of authority shall be considered references to certificates of mul-  
 11 tiple employer welfare arrangement.

12 (c) Contributions shall be considered premiums.

13 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
 14 transaction of health insurance.

15 **SECTION 8.** ORS 743.700 is amended to read:

16 743.700. (1) Except as provided in subsection (4) of this section, any statute described in sub-  
 17 section (2) of this section that becomes effective on or after July 13, 1985, is repealed on the sixth  
 18 anniversary of the effective date of the statute, unless the Legislative Assembly specifically provides  
 19 otherwise.

20 (2) This section governs any statute that applies to individual or group health insurance policies  
 21 and does any of the following:

22 (a) Requires the insurer to include coverage for specific physical or mental conditions or specific  
 23 hospital, medical, surgical or dental health services.

24 (b) Requires the insurer to include coverage for specified persons.

25 (c) Requires the insurer to provide payment or reimbursement to specified providers of services  
 26 if the services are within the lawful scope of practice of the provider and the insurance policy pro-  
 27 vides payment or reimbursement for those services.

28 (d) Requires the insurer to provide any specific coverage on a nondiscriminatory basis.

29 (e) Forbids the insurer to exclude from payment or reimbursement any covered services.

30 (f) Forbids the insurer to exclude coverage of a person because of that person's medical history.

31 (3) A repeal of a statute under subsection (1) of this section does not apply to any insurance  
 32 policy in effect on the effective date of the repeal. However, the repeal of the statute applies to a  
 33 renewal or extension of an existing insurance policy on or after the effective date of the repealer  
 34 as well as to a new policy issued on or after the effective date of the repealer.

35 (4) This section does not apply to ORS 743.693, 743.727, 743.728 and 743.791 **and section 2 of**  
 36 **this 2007 Act.**

37 **SECTION 9. Section 2 of this 2007 Act and the amendments to ORS 743.700, 750.055 and**  
 38 **750.333 by sections 3 to 8 of this 2007 Act apply to group health insurance policies issued in**  
 39 **this state on or after the effective date of this 2007 Act.**

40