

**A-Engrossed**  
**Senate Bill 491**

Ordered by the Senate April 13  
Including Senate Amendments dated April 13

Sponsored by Senator DECKERT (at the request of Helen Cotton Leiser)

**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.

Requires health insurers that provide coverage for cochlear implant to provide coverage of bilateral cochlear implants. **Provides that for purposes of unfair claim settlement practices, reasonable investigation of claim for bilateral cochlear implants must include recommendation from treating surgeon based on medical literature and findings.**

**A BILL FOR AN ACT**

1  
2 Relating to insurance coverage of bilateral cochlear implants; creating new provisions; and amend-  
3 ing ORS 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 the Insurance Code.**

6 **SECTION 2. (1) Whenever any policy of health insurance provides for reimbursement of**  
7 **a cochlear implant, the insured under the policy is entitled to coverage of bilateral cochlear**  
8 **implants.**

9 **(2) For purposes of ORS 746.230, a reasonable investigation of a claim for bilateral**  
10 **cochlear implants must include a request to the treating surgeon for a written recommen-**  
11 **dation based on peer-reviewed medical literature and for the medical findings that support**  
12 **the recommendation.**

13 **(3) The provisions of this section apply to a health benefit plan as defined in ORS 743.730.**

14 **(4) The provisions of this section are exempt from ORS 743.700.**

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

16 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
17 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

18 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
19 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
20 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
21 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

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

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

26 (d) ORS chapter 734.

27 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to

**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.

1 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
2 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to  
3 743.552, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
4 743.699, 743.701, 743.706 to 743.712, 743.721, 743.722, 743.726, 743.727, 743.728, 743.729, 743.793,  
5 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857,  
6 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868 **and section 2 of this 2007**  
7 **Act.**

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

9 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
10 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

14 (i) ORS 735.600 to 735.650.

15 (j) ORS 743.680 to 743.689.

16 (k) ORS 744.700 to 744.740.

17 (L) ORS 743.730 to 743.773.

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

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

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

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

28 **SECTION 4.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,  
29 chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and  
30 6, chapter 255, Oregon Laws 2005, and section 5, chapter 418, Oregon Laws 2005, is amended to  
31 read:

32 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
33 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

34 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
35 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
36 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
37 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

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

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

42 (d) ORS chapter 734.

43 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
44 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
45 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to

1 743.552, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
2 743.699, 743.701, 743.706 to 743.712, 743.721, 743.722, 743.727, 743.728, 743.729, 743.793, 743.804,  
3 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,  
4 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868 **and section 2 of this 2007 Act.**

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

6 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
7 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

11 (i) ORS 735.600 to 735.650.

12 (j) ORS 743.680 to 743.689.

13 (k) ORS 744.700 to 744.740.

14 (L) ORS 743.730 to 743.773.

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

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

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

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

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

26 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
27 tiple employer welfare arrangement:

28 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
29 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
30 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

31 (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.

32 (c) ORS chapter 734.

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

34 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
35 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
36 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
37 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
38 743.864.

39 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
40 743.717, 743.718, 743.719, 743.721, 743.722, 743.725 and 743.726 **and section 2 of this 2007 Act.**  
41 Multiple employer welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the  
42 sections referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

1 (i) ORS 731.592 and 731.594.

2 (2) For the purposes of this section:

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

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

6 (c) Contributions shall be considered premiums.

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

9 **SECTION 6.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, is amended  
10 to read:

11 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
12 tiple employer welfare arrangement:

13 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
14 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
15 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

16 (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.

17 (c) ORS chapter 734.

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

19 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
20 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
21 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
22 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
23 743.864.

24 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
25 743.717, 743.718, 743.719, 743.721, 743.722 and 743.725 **and section 2 of this 2007 Act.** Multiple  
26 employer welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the sections  
27 referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

31 (i) ORS 731.592 and 731.594.

32 (2) For the purposes of this section:

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

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

36 (c) Contributions shall be considered premiums.

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

39 **SECTION 7.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 4,  
40 chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, and section 6, chapter  
41 418, Oregon Laws 2005, is amended to read:

42 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
43 tiple employer welfare arrangement:

44 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
45 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,

1 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

2 (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.

3 (c) ORS chapter 734.

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

5 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
6 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
7 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
8 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
9 743.864.

10 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
11 743.717, 743.718, 743.719, 743.721 and 743.722 **and section 2 of this 2007 Act**. Multiple employer  
12 welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the sections referred to  
13 in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

17 (i) ORS 731.592 and 731.594.

18 (2) For the purposes of this section:

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

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

22 (c) Contributions shall be considered premiums.

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

25 **SECTION 8. Section 2 of this 2007 Act and the amendments to ORS 750.055 and 750.333**  
26 **by sections 3 to 7 of this 2007 Act apply to policies or certificates issued or renewed on or**  
27 **after the effective date of this 2007 Act.**

28