

HOUSE AMENDMENTS TO HOUSE BILL 3605

By COMMITTEE ON WORKFORCE AND ECONOMIC DEVELOPMENT

February 12

1 On page 1 of the printed bill, line 2, after the semicolon insert “creating new provisions;
2 amending ORS 731.028, 748.603, 750.055 and 750.333;”.

3 Delete lines 4 through 29 and delete pages 2 through 4 and insert:

4 **“SECTION 1. Section 2 of this 2008 Act is added to and made a part of the Insurance
5 Code.**

6 **“SECTION 2. (1) When the Governor declares a state of emergency under ORS 401.055,
7 the Director of the Department of Consumer and Business Services may issue an order that
8 addresses any or all of the following matters related to insurance policies issued in this state:**

9 **“(a) Reporting requirements for claims;**

10 **“(b) Grace periods for payment of insurance premiums and performance of other duties
11 by insureds; and**

12 **“(c) Temporary postponement of cancellations and nonrenewals.**

13 **“(2) An order by the director under subsection (1) of this section may remain effective
14 for not more than 30 days unless the director extends the termination date for the order for
15 an additional period of not more than 30 days or for subsequent additional periods of not
16 more than 30 days. The director may extend the order if, in the director’s judgment, the
17 circumstances warrant an extension. The order must specify, by line of insurance:**

18 **“(a) The geographic areas in which the order applies, which must be within but may be
19 less extensive than the geographic area specified in the Governor’s proclamation of a state
20 of emergency and must be specified according to an appropriate means of delineation, such
21 as United States Postal Service ZIP codes or other appropriate means; and**

22 **“(b) The date on which the order becomes effective and the date on which the order
23 terminates.**

24 **“(3) The director shall adopt rules that establish general criteria for orders issued under
25 this section and may adopt emergency rules applicable to a specific proclamation of a state
26 of emergency by the Governor.**

27 **“(4) The rulemaking authority set forth in this section does not limit or affect the
28 rulemaking authority otherwise granted to the director by law.**

29 **“SECTION 3. ORS 731.028 is amended to read:**

30 **“731.028. (1) The State Accident Insurance Fund Corporation is subject as a domestic insurer
31 to ORS 731.248, 731.252, 731.256, 731.258, 731.260, 731.296 to 731.316, 731.488, 731.574, 731.592,
32 731.594, 731.730, 731.731, 731.735, 731.737, 731.988, 731.992, 733.010 to 733.060, 733.140 to 733.170,
33 733.210, 737.205, 737.215, 737.225, 737.235 to 737.340, 737.505 and 737.560, ORS chapters 742, 743,
34 743A and 744 and ORS 746.015, 746.075, 746.110, 746.145 to 746.155, 746.230 and 746.240 and section
35 2 of this 2008 Act. However:**

1 “(a) The requirements of the Director of the Department of Consumer and Business Services
2 under ORS 733.010 to 733.060, 733.140 to 733.170 and 733.210 govern in the case of a conflict between
3 those requirements and the requirements of any accounting system prescribed by the Oregon De-
4 partment of Administrative Services.

5 “(b) The filing requirements of ORS 737.205 to 737.340, 737.505 and 737.560 are in lieu of any
6 similar filing requirements prescribed by any other law of this state.

7 “(c) The requirements of ORS chapters 743 and 743A are applicable only with respect to excess
8 workers’ compensation insurance furnished by the corporation.

9 “(d) The provisions of ORS chapter 744 apply only with respect to the regulation of insurance
10 producers.

11 “(e) For each year that the Secretary of State conducts an audit of the State Accident Insurance
12 Fund Corporation under ORS 297.210, the director may accept the audit and a copy of the Secretary
13 of State’s audit report in lieu of the requirements of ORS 731.488 if the director determines that the
14 purposes of ORS 731.488 are adequately served by the Secretary of State’s audit and report. The
15 Secretary of State shall file a copy of its audit report of the State Accident Insurance Fund Corpo-
16 ration with the director.

17 “(2) The provisions of subsection (1) of this section govern in the case of a conflict between
18 those provisions and the provisions of ORS chapter 656 that apply only to the State Accident In-
19 surance Fund Corporation.

20 “**SECTION 4.** ORS 748.603 is amended to read:

21 748.603. (1) Societies are governed by this chapter and are exempt from all other provisions of
22 the insurance laws of this state unless expressly designated therein, or unless specifically made ap-
23 plicable by this chapter.

24 “(2) ORS 705.137, 705.139, 731.004 to 731.026, 731.036 to 731.136, 731.146 to 731.156, 731.162,
25 731.166, 731.170, 731.216 to 731.268, 731.296, 731.324, 731.328, 731.354, 731.356, 731.358, 731.378,
26 731.380, 731.381, 731.382, 731.385, 731.386, 731.390, 731.394, 731.396, 731.398, 731.402, 731.406, 731.410,
27 731.422 to 731.434, 731.446 to 731.454, 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512,
28 731.592, 731.594, 731.730, 731.731, 731.735, 731.737, 731.750, 731.804, 731.844 to 731.992, 732.245,
29 732.250, 732.320, 732.325, 733.010 to 733.050, 733.080, 733.140 to 733.210, 733.220, 733.510, 733.652 to
30 733.658, 733.730 to 733.750, 735.600 to 735.650, 742.001, 742.003, 742.005, 742.007, 742.009, 742.013 to
31 742.021, 742.028, 742.038, 742.041, 742.046, 742.051, 742.150 to 742.162 and 744.700 to 744.740 **and**
32 **section 2 of this 2008 Act** and ORS chapters 734, 743 and 743A apply to fraternal benefit societies
33 to the extent not inconsistent with the express provisions of this chapter.

34 “(3) For the purposes of this subsection and subsection (2) of this section, fraternal benefit so-
35 cieties shall be deemed insurers, and benefit certificates issued by fraternal benefit societies shall
36 be deemed policies.

37 “(4) Every society authorized to do business in this state shall be subject to the provisions of
38 ORS chapter 746 relating to unfair trade practices. However, nothing in ORS chapter 746 shall be
39 construed as applying to or affecting the right of any society to determine its eligibility require-
40 ments for membership, or be construed as applying to or affecting the offering of benefits exclusively
41 to members or persons eligible for membership in the society by a subsidiary corporation or affil-
42 iated organization of the society.

43 “**SECTION 5.** ORS 750.055 is amended to read:

44 “750.055. (1) The following provisions of the Insurance Code apply to health care service con-
45 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

1 “(a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385,
2 731.386, 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509,
3 731.510, 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731,
4 731.735, 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 **and section 2 of this 2008 Act.**

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

7 “(c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
8 to 733.780.

9 “(d) ORS chapter 734.

10 “(e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
11 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
12 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
13 743.560, 743.600 to 743.610, 743.650 to 743.664, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
14 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
15 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
16 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
17 743A.164, 743A.168, 743A.184, 743A.188 and 743A.190.

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

19 “(g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608,
20 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and
21 746.690.

22 “(h) ORS 743A.024, except in the case of group practice health maintenance organizations that
23 are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is
24 referred by a physician associated with a group practice health maintenance organization.

25 “(i) ORS 735.600 to 735.650.

26 “(j) ORS 743.680 to 743.689.

27 “(k) ORS 744.700 to 744.740.

28 “(L) ORS 743.730 to 743.773.

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

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

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

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

39 “**SECTION 6.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section
40 3, chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5
41 and 6, chapter 255, Oregon Laws 2005, section 5, chapter 418, Oregon Laws 2005, section 3, chapter
42 128, Oregon Laws 2007, section 9, chapter 182, Oregon Laws 2007, section 6, chapter 313, Oregon
43 Laws 2007, section 4, chapter 504, Oregon Laws 2007, section 4, chapter 566, Oregon Laws 2007, and
44 section 4, chapter 872, Oregon Laws 2007, is amended to read:

45 “750.055. (1) The following provisions of the Insurance Code apply to health care service con-

1 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

2 “(a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385,
3 731.386, 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509,
4 731.510, 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731,
5 731.735, 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 **and section 2 of this 2008 Act.**

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

8 “(c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
9 to 733.780.

10 “(d) ORS chapter 734.

11 “(e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
12 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
13 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
14 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
15 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
16 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
17 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
18 743A.164, 743A.168, 743A.184 and 743A.190.

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

20 “(g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608,
21 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and
22 746.690.

23 “(h) ORS 743A.024, except in the case of group practice health maintenance organizations that
24 are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is
25 referred by a physician associated with a group practice health maintenance organization.

26 “(i) ORS 735.600 to 735.650.

27 “(j) ORS 743.680 to 743.689.

28 “(k) ORS 744.700 to 744.740.

29 “(L) ORS 743.730 to 743.773.

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

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

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

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

40 “**SECTION 7.** ORS 750.333 is amended to read:

41 “750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a
42 multiple employer welfare arrangement:

43 “(a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
44 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
45 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652[,] **and** 731.804 to 731.992.

1 “(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.
2 “(c) ORS chapter 734.
3 “(d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.
4 “(e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
5 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
6 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
7 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
8 and 743A.184.
9 “(f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.044,
10 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180,
11 743A.188 and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773
12 apply are subject to the sections referred to in this paragraph only as provided in ORS 743.730 to
13 743.773.
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 “(j) **Section 2 of this 2008 Act.**
19 “(2) For the purposes of this section:
20 “(a) A trust carrying out a multiple employer welfare arrangement shall be considered an
21 insurer.
22 “(b) References to certificates of authority shall be considered references to certificates of
23 multiple employer welfare arrangement.
24 “(c) Contributions shall be considered premiums.
25 “(3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the
26 transaction of health insurance.
27 “**SECTION 8.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, section
28 11, chapter 182, Oregon Laws 2007, section 8, chapter 313, Oregon Laws 2007, section 6, chapter 504,
29 Oregon Laws 2007, section 6, chapter 566, Oregon Laws 2007, and section 6, chapter 872, Oregon
30 Laws 2007, is amended to read:
31 “750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a
32 multiple employer welfare arrangement:
33 “(a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
34 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
35 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652[,] **and** 731.804 to 731.992.
36 “(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.
37 “(c) ORS chapter 734.
38 “(d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.
39 “(e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
40 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
41 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
42 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
43 and 743A.184.
44 “(f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.044,
45 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180

1 and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773 apply are
2 subject to the sections referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

6 “(i) ORS 731.592 and 731.594.

7 “(j) **Section 2 of this 2008 Act.**

8 “(2) For the purposes of this section:

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

11 “(b) References to certificates of authority shall be considered references to certificates of
12 multiple employer welfare arrangement.

13 “(c) Contributions shall be considered premiums.

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

16 “**SECTION 9.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section
17 4, chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, section 6, chapter 418,
18 Oregon Laws 2005, section 12, chapter 182, Oregon Laws 2007, section 9, chapter 313, Oregon Laws
19 2007, section 7, chapter 504, Oregon Laws 2007, section 7, chapter 566, Oregon Laws 2007, and sec-
20 tion 7, chapter 872, Oregon Laws 2007, is amended to read:

21 “750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a
22 multiple employer welfare arrangement:

23 “(a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
24 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
25 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652[,] **and** 731.804 to 731.992.

26 “(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.

27 “(c) ORS chapter 734.

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

29 “(e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
30 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
31 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
32 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
33 and 743A.184.

34 “(f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,
35 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180 and
36 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773 apply are sub-
37 ject to the sections referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

41 “(i) ORS 731.592 and 731.594.

42 “(j) **Section 2 of this 2008 Act.**

43 “(2) For the purposes of this section:

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

1 “(b) References to certificates of authority shall be considered references to certificates of
2 multiple employer welfare arrangement.

3 “(c) Contributions shall be considered premiums.

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

6 “**SECTION 10. This 2008 Act being necessary for the immediate preservation of the public
7 peace, health and safety, an emergency is declared to exist, and this 2008 Act takes effect
8 on its passage.**”

9
