

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action:	Without Recommendation as to Passage and Be Referred to the Committee on Rules
Vote:	10 - 0 - 0
Yeas:	Bruun, Cannon, Dembrow, Garrett, Harker, Kennemer, Kotek, Maurer, Thompson, Greenlick
Nays:	0
Exc.:	0
Prepared By:	Roxie Cuellar, Administrator
Meeting Dates:	4/14, 4/27

WHAT THE MEASURE DOES: Creates cause of action for medical provider to pursue claim if insurer does not pay provider's claim within specified times. Deletes current language in ORS 743.911 requiring that timely payment by insurer does not create assignment of payment to provider. Imposes civil penalty against insurer of not less than \$100 per day of violation; penalties will be paid into State Treasury and credited to Rural Health Services Fund. Declares an emergency; effective upon passage.

ISSUES DISCUSSED:

- Number of claims not paid in timely fashion
- Application of timely payment requirement to different health plans
- Problems with self-insured plans

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: ORS 743.911 establishes time limitations under which insurers must pay claims to medical care providers on behalf of the enrollees of a health benefit plan. Current statutory language specifically denies an assignment of payment to the medical provider. Presently, therefore, it is the insured who must typically pursue an action against the insurer for untimely payment of the claim. House Bill 2824 allows the medical provider to take such action against the provider, pursuant to a contract between the provider and the insurer.