2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION

Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 24 **STATUS:** A Engrossed **SUBJECT:** Requires health benefit plans to provide telemedical health services

GOVERNMENT UNIT AFFECTED: Department of Consumer and Business Services, Department of

Administrative Services

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REVIEWED BY: Susie Jordan, Laurie Byerly

DATE: March 30, 2009

<u>2009-2011</u> <u>2011-2013</u>

EXPENDITURES:

See Comments

EFFECTIVE DATE: January 1, 2010

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: SB 24 requires health benefit plans to provide coverage for medically necessary telemedical health services if that health service is covered in person by the plan.

The Department of Administrative Services (DAS) notes that the bill expands the number of telemedicine services that health plans would be required to cover, and could, therefore, affect the cost of insurance coverage and the insurance premium costs, for insurance offered through the Public Employees Benefit Board (PEBB).

SB 24 will have an effect on Department of Consumer and Business Services (DCBS) Insurance Division workload. The effect is expected to be minimal. The bill will also affect the delivery of insurance through the Oregon Medical Insurance Pool (OMIP) program. DCBS is unable to forecast how may of the OMIP enrollees and providers would use telemedical services, the reimbursement level for those services, and whether the bill would affect the timeliness and cost of accessing telemedical versus in-person health services.