

House Bill 2589

Sponsored by Representative CANNON, Senator WALKER; Representatives DEMBROW, GELSER, GREENLICK, RILEY, Senator MORRISETTE

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 health benefit plans to provide coverage for hearing aids for enrollees under 18 years of age.

A BILL FOR AN ACT

1
2 Relating to health benefit plan coverage of hearing aids; creating new provisions; and amending ORS
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 2009 Act is added to and made a part of the Insurance Code.**

6 **SECTION 2. (1) As used in this section, "hearing aid" means any nondisposable, wearable**
7 **instrument or device designed to aid or compensate for impaired human hearing and any**
8 **necessary ear mold, part, attachments or accessory for the instrument or device, except**
9 **batteries and cords.**

10 **(2) A health benefit plan, as defined in ORS 743.730, shall provide payment, coverage or**
11 **reimbursement for one hearing aid per hearing impaired ear if:**

12 **(a) Necessary for the treatment of hearing loss in an enrollee in the plan who is under**
13 **18 years of age; and**

14 **(b) Prescribed, fitted and dispensed by a licensed audiologist with the approval of a li-**
15 **censed physician.**

16 **(3)(a) The maximum benefit amount required by this section is \$4,000 every 48 months,**
17 **but a health benefit plan may offer a benefit that is more favorable to the enrollee. The**
18 **benefit amount shall be adjusted on January 1 of each year to reflect the increase since the**
19 **effective date of this 2009 Act in the U.S. City Average Consumer Price Index for All Urban**
20 **Consumers for medical care as published by the Bureau of Labor Statistics of the United**
21 **States Department of Labor.**

22 **(b) A health benefit plan may not impose any financial or contractual penalty upon an**
23 **audiologist if an enrollee elects to purchase a hearing aid priced higher than the benefit**
24 **amount by paying the difference between the benefit amount and the price of the hearing**
25 **aid.**

26 **(4) A health benefit plan may subject the payment, coverage or reimbursement required**
27 **under this section to provisions of the plan that apply to other durable medical equipment**
28 **benefits covered by the plan, including but not limited to provisions relating to deductibles,**
29 **coinsurance and prior authorization.**

30 **(5) This section is exempt from ORS 743A.001.**

31 **SECTION 3. ORS 750.055, as amended by section 5, chapter 22, Oregon Laws 2008, is amended**

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 to read:

2 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
 3 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

4 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
 5 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
 6 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
 7 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 and section 2, chapter 22, Oregon Laws 2008.

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

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

12 (d) ORS chapter 734.

13 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
 14 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
 15 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
 16 743.560, 743.600 to 743.610, 743.650 to 743.664, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
 17 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
 18 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
 19 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
 20 743A.164, 743A.168, 743A.184, 743A.188 and 743A.190 **and section 2 of this 2009 Act.**

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

22 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
 23 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

27 (i) ORS 735.600 to 735.650.

28 (j) ORS 743.680 to 743.689.

29 (k) ORS 744.700 to 744.740.

30 (L) ORS 743.730 to 743.773.

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

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

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

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

41 **SECTION 4.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,
 42 chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and
 43 6, chapter 255, Oregon Laws 2005, section 5, chapter 418, Oregon Laws 2005, section 3, chapter 128,
 44 Oregon Laws 2007, section 9, chapter 182, Oregon Laws 2007, section 6, chapter 313, Oregon Laws
 45 2007, section 4, chapter 504, Oregon Laws 2007, section 4, chapter 566, Oregon Laws 2007, section

1 4, chapter 872, Oregon Laws 2007, and section 6, chapter 22, Oregon Laws 2008, is amended to read:

2 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
 3 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

4 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
 5 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
 6 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
 7 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 and section 2, chapter 22, Oregon Laws 2008.

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

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

12 (d) ORS chapter 734.

13 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
 14 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
 15 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
 16 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
 17 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
 18 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
 19 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
 20 743A.164, 743A.168, 743A.184 and 743A.190 **and section 2 of this 2009 Act.**

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

22 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
 23 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

27 (i) ORS 735.600 to 735.650.

28 (j) ORS 743.680 to 743.689.

29 (k) ORS 744.700 to 744.740.

30 (L) ORS 743.730 to 743.773.

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

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

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

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

41 **SECTION 5.** ORS 750.333, as amended by section 7, chapter 22, Oregon Laws 2008, is amended
 42 to read:

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

45 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,

1 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
 2 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652 and 731.804 to 731.992.

3 (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.

4 (c) ORS chapter 734.

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

6 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
 7 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
 8 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
 9 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
 10 and 743A.184.

11 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.044,
 12 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180,
 13 743A.188 and 743A.190 **and section 2 of this 2009 Act**. Multiple employer welfare arrangements
 14 to which ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only
 15 as provided in ORS 743.730 to 743.773.

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

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

19 (i) ORS 731.592 and 731.594.

20 (j) Section 2, chapter 22, Oregon Laws 2008.

21 (2) For the purposes of this section:

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

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

25 (c) Contributions shall be considered premiums.

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

28 **SECTION 6.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, section 11,
 29 chapter 182, Oregon Laws 2007, section 8, chapter 313, Oregon Laws 2007, section 6, chapter 504,
 30 Oregon Laws 2007, section 6, chapter 566, Oregon Laws 2007, section 6, chapter 872, Oregon Laws
 31 2007, and section 8, chapter 22, Oregon Laws 2008, 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 and 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, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
 42 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
 43 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
 44 and 743A.184.

45 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.044,

1 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180
 2 and 743A.190 **and section 2 of this 2009 Act**. Multiple employer welfare arrangements to which
 3 ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as pro-
 4 vided in ORS 743.730 to 743.773.

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

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

8 (i) ORS 731.592 and 731.594.

9 (j) Section 2, chapter 22, Oregon Laws 2008.

10 (2) For the purposes of this section:

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

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

14 (c) Contributions shall be considered premiums.

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

17 **SECTION 7.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 4,
 18 chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, section 6, chapter 418,
 19 Oregon Laws 2005, section 12, chapter 182, Oregon Laws 2007, section 9, chapter 313, Oregon Laws
 20 2007, section 7, chapter 504, Oregon Laws 2007, section 7, chapter 566, Oregon Laws 2007, section
 21 7, chapter 872, Oregon Laws 2007, and section 9, chapter 22, Oregon Laws 2008, is amended to read:

22 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-
 23 tiple employer welfare arrangement:

24 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
 25 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
 26 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652 and 731.804 to 731.992.

27 (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.

28 (c) ORS chapter 734.

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

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

35 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,
 36 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180 and
 37 743A.190 **and section 2 of this 2009 Act**. Multiple employer welfare arrangements to which ORS
 38 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as provided
 39 in ORS 743.730 to 743.773.

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

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

43 (i) ORS 731.592 and 731.594.

44 (j) Section 2, chapter 22, Oregon Laws 2008.

45 (2) For the purposes of this section:

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

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

4 (c) Contributions shall be considered premiums.

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

7 **SECTION 8. Section 2 of this 2009 Act and the amendments to ORS 750.055 and 750.333**
8 **by sections 3 to 7 of this 2009 Act apply to health benefit plan policies or certificates issued**
9 **or renewed on or after the effective date of this 2009 Act.**

10