

House Bill 2925

Sponsored by Representatives KRIEGER, SCHAUFLEER; Representatives BARKER, BOONE, BRUUN, CAMERON, ESQUIVEL, FREEMAN, GARRARD, GILLIAM, GILMAN, HANNA, HUFFMAN, MAURER, OLSON, RICHARDSON, RILEY, ROBLAN, SPRENGER, THATCHER, THOMPSON, TOMEI, VANORMAN, WEIDNER, WHISNANT

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 policy or certificate of health insurance to cover 90-day supply of prescription drugs covered by policy or certificate if prescribed by health care provider.

A BILL FOR AN ACT

Relating to health insurance coverage of prescription drugs; creating new provisions; and amending ORS 750.055 and 750.333.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2009 Act is added to and made a part of the Insurance Code.

SECTION 2. A policy or certificate of health insurance that provides coverage of a prescription drug shall provide coverage of a 90-day supply of the covered prescription drug if prescribed by an enrollee's health care provider.

SECTION 3. ORS 750.055, as amended by section 5, chapter 22, Oregon Laws 2008, is amended to read:

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

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

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

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

(d) ORS chapter 734.

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

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

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 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
2 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

6 (i) ORS 735.600 to 735.650.

7 (j) ORS 743.680 to 743.689.

8 (k) ORS 744.700 to 744.740.

9 (L) ORS 743.730 to 743.773.

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

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

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

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

20 **SECTION 4.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,
21 chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and
22 6, chapter 255, Oregon Laws 2005, section 5, chapter 418, Oregon Laws 2005, section 3, chapter 128,
23 Oregon Laws 2007, section 9, chapter 182, Oregon Laws 2007, section 6, chapter 313, Oregon Laws
24 2007, section 4, chapter 504, Oregon Laws 2007, section 4, chapter 566, Oregon Laws 2007, section
25 4, chapter 872, Oregon Laws 2007, and section 6, chapter 22, Oregon Laws 2008, is amended to read:

26 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
27 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

28 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
29 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
30 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
31 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 and section 2, chapter 22, Oregon Laws 2008.

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

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

36 (d) ORS chapter 734.

37 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
38 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
39 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
40 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
41 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
42 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
43 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
44 743A.164, 743A.168, 743A.184 and 743A.190 **and section 2 of this 2009 Act.**

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

1 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
2 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

6 (i) ORS 735.600 to 735.650.

7 (j) ORS 743.680 to 743.689.

8 (k) ORS 744.700 to 744.740.

9 (L) ORS 743.730 to 743.773.

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

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

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

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

20 **SECTION 5.** ORS 750.333, as amended by section 7, chapter 22, Oregon Laws 2008, is amended
21 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.044,
36 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180,
37 743A.188 and 743A.190 **and section 2 of this 2009 Act.** Multiple employer welfare arrangements
38 to which ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only
39 as provided 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 6.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, section 11,
8 chapter 182, Oregon Laws 2007, section 8, chapter 313, Oregon Laws 2007, section 6, chapter 504,
9 Oregon Laws 2007, section 6, chapter 566, Oregon Laws 2007, section 6, chapter 872, Oregon Laws
10 2007, and section 8, chapter 22, Oregon Laws 2008, is amended 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 and 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, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
21 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
22 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
23 and 743A.184.

24 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.044,
25 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180
26 and 743A.190 **and section 2 of this 2009 Act.** Multiple employer welfare arrangements to which
27 ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as pro-
28 vided in ORS 743.730 to 743.773.

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

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

32 (i) ORS 731.592 and 731.594.

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

34 (2) For the purposes of this section:

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

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

38 (c) Contributions shall be considered premiums.

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

41 **SECTION 7.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 4,
42 chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, section 6, chapter 418,
43 Oregon Laws 2005, section 12, chapter 182, Oregon Laws 2007, section 9, chapter 313, Oregon Laws
44 2007, section 7, chapter 504, Oregon Laws 2007, section 7, chapter 566, Oregon Laws 2007, section
45 7, chapter 872, Oregon Laws 2007, and section 9, chapter 22, Oregon Laws 2008, is amended to read:

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

3 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
4 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
5 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652 and 731.804 to 731.992.

6 (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.

7 (c) ORS chapter 734.

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

9 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
10 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
11 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
12 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110
13 and 743A.184.

14 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,
15 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180 and
16 743A.190 **and section 2 of this 2009 Act**. Multiple employer welfare arrangements to which ORS
17 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as provided
18 in ORS 743.730 to 743.773.

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

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

22 (i) ORS 731.592 and 731.594.

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

24 (2) For the purposes of this section:

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

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

28 (c) Contributions shall be considered premiums.

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

31 **SECTION 8. Section 2 of this 2009 Act and the amendments to ORS 750.055 and 750.333**
32 **by sections 3 to 7 of this 2009 Act apply to policies or certificates of health insurance deliv-**
33 **ered or renewed on or after the effective date of this 2009 Act.**

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