

House Bill 3496

Sponsored by Representative D EDWARDS

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**.

Exempts requirement that health insurance cover nonprescription elemental enteral formula for treatment of severe intestinal malabsorption from automatic six-year sunset provision.

A BILL FOR AN ACT

Relating to health insurance; creating new provisions; and amending ORS 743A.070 and 750.333.

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

SECTION 1. ORS 743A.070 is amended to read:

743A.070. (1) All policies providing health insurance, as defined in ORS 731.162, except those policies whose coverage is limited to expenses from accidents or specific diseases that are unrelated to the coverage required by this section, shall include coverage for a nonprescription elemental enteral formula for home use, if the formula is medically necessary for the treatment of severe intestinal malabsorption and a physician has issued a written order for the formula and the formula comprises the sole source, or an essential source, of nutrition.

(2) The coverage required by subsection (1) of this section may be made subject to provisions of the policy that apply to other benefits under the policy including, but not limited to, provisions related to deductibles and coinsurance. Deductibles and coinsurance for elemental enteral formulas shall be no greater than those for any other treatment for the condition under the policy.

(3) This section is exempt from ORS 743A.001.

SECTION 2. ORS 750.333, as amended by section 7, chapter 22, Oregon Laws 2008, is amended to read:

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

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

(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.

(c) ORS chapter 734.

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

(e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562, 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 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, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110 and 743A.184.

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

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 743A.048, 743A.066, 743A.068, **743A.070**, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168,
2 743A.180, 743A.188 and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to
3 743.773 apply are subject to the sections referred to in this paragraph only as provided in ORS
4 743.730 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 3.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, section 11,
18 chapter 182, Oregon Laws 2007, section 8, chapter 313, Oregon Laws 2007, section 6, chapter 504,
19 Oregon Laws 2007, section 6, chapter 566, Oregon Laws 2007, section 6, chapter 872, Oregon Laws
20 2007, and section 8, chapter 22, Oregon Laws 2008, is amended to read:

21 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-
22 tiple 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.044,
35 743A.048, 743A.066, 743A.068, **743A.070**, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168,
36 743A.180 and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773
37 apply are subject to the sections referred to in this paragraph only as provided in ORS 743.730 to
38 743.773.

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

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

42 (i) ORS 731.592 and 731.594.

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

44 (2) For the purposes of this section:

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

1 (b) References to certificates of authority shall be considered references to certificates of mul-
 2 tiple 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 4.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 4,
 7 chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, section 6, chapter 418,
 8 Oregon Laws 2005, section 12, chapter 182, Oregon Laws 2007, section 9, chapter 313, Oregon Laws
 9 2007, section 7, chapter 504, Oregon Laws 2007, section 7, chapter 566, Oregon Laws 2007, section
 10 7, chapter 872, Oregon Laws 2007, and section 9, 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:

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 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,
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 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
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 25 743A.066, 743A.068, **743A.070**, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180
 26 and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773 apply are
 27 subject to the sections referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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 36 tiple employer welfare arrangement.

37 (c) Contributions shall be considered premiums.

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

40 **SECTION 5. The amendments to ORS 743A.070 and 750.333 by sections 1 to 4 of this 2009**
 41 **Act apply to health insurance policies or certificates issued or renewed on or after the ef-**
 42 **fective date of this 2009 Act.**