

Senate Bill 24

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Health and Human Services)

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 plan to provide coverage of medically necessary, evidence-based tele-medical health service that meets specified criteria if health service is otherwise covered by plan.
Applies to plans contracted for or renewed on or after effective date of Act.

A BILL FOR AN ACT

1
2 Relating to health benefit plan coverage of telemedical services; creating new provisions; and
3 amending ORS 750.055 and 750.333.

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

5 **SECTION 1. Sections 2 and 3 of this 2009 Act are added to and made a part of the In-**
6 **surance Code.**

7 **SECTION 2. As used in this section and section 3 of this 2009 Act:**

8 (1) **"Health benefit plan" has the meaning given that term in ORS 743.730.**

9 (2) **"Health professional" includes but is not limited to a licensed or certified:**

10 (a) **Physician, as defined in ORS 677.010;**

11 (b) **Nurse practitioner;**

12 (c) **Physician assistant;**

13 (d) **Nurse midwife;**

14 (e) **Clinical nurse specialist;**

15 (f) **Clinical psychologist;**

16 (g) **Clinical social worker; or**

17 (h) **Dietitian.**

18 (3) **"Health service" includes but is not limited to:**

19 (a) **Consultation;**

20 (b) **Office visitation;**

21 (c) **Outpatient visitation;**

22 (d) **Individual psychotherapy;**

23 (e) **Pharmacologic management;**

24 (f) **Neurobehavioral status examination;**

25 (g) **Psychiatric diagnostic interview examination;**

26 (h) **A service related to the treatment of end-stage renal disease;**

27 (i) **Individual medical nutrition therapy; or**

28 (j) **Follow-up treatment, care or consultation provided to an inpatient.**

29 (4) **"Originating site" means the physical location of the patient receiving a telemedical**
30 **health service.**

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 (5) “Telemedical” means delivered through a two-way video communication that allows
 2 a health professional to interact with a patient who is at an originating site.

3 **SECTION 3.** (1) A health benefit plan must provide coverage of a telemedical health ser-
 4 vice if:

5 (a) The plan provides coverage of the health service when provided in person by the
 6 health professional;

7 (b) The health service is medically necessary and supported by evidence-based medical
 8 criteria; and

9 (c) The health service does not duplicate or supplant a health service that is available to
 10 the patient in person.

11 (2) An originating site for a telemedical health service subject to subsection (1) of this
 12 section includes but is not limited to a:

13 (a) Hospital;

14 (b) Rural health clinic;

15 (c) Federally qualified health center;

16 (d) Physician’s office;

17 (e) Community mental health center;

18 (f) Skilled nursing facility;

19 (g) Renal dialysis center; or

20 (h) Site where public health services are provided.

21 (3) A plan may not distinguish between originating sites that are rural and urban in
 22 providing coverage under subsection (1) of this section.

23 (4) Individual psychotherapy that includes medical evaluation or medical management
 24 services provided by a clinical psychologist or clinical social worker is not subject to sub-
 25 section (1) of this section.

26 (5) A health benefit plan may subject coverage of a telemedical health service under
 27 subsection (1) of this section to all terms and conditions of the plan, including but not limited
 28 to deductible, copayment or coinsurance requirements that are applicable to coverage of a
 29 comparable health service provided in person.

30 (6) The Department of Consumer and Business Services shall adopt rules to carry out the
 31 provisions of this section. In the adoption of rules, the department shall appoint an advisory
 32 committee under ORS 183.333 that includes persons who are knowledgeable about telemedical
 33 health service.

34 **SECTION 4.** ORS 750.055, as amended by section 5, chapter 22, Oregon Laws 2008, is amended
 35 to read:

36 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
 37 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

38 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
 39 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
 40 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
 41 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 and section 2, chapter 22, Oregon Laws 2008.

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

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

1 (d) ORS chapter 734.

2 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
 3 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
 4 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
 5 743.560, 743.600 to 743.610, 743.650 to 743.664, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
 6 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
 7 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
 8 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
 9 743A.164, 743A.168, 743A.184, 743A.188 and 743A.190 **and section 3 of this 2009 Act.**

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

11 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
 12 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

16 (i) ORS 735.600 to 735.650.

17 (j) ORS 743.680 to 743.689.

18 (k) ORS 744.700 to 744.740.

19 (L) ORS 743.730 to 743.773.

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

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

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

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

30 **SECTION 5.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,
 31 chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and
 32 6, chapter 255, Oregon Laws 2005, section 5, chapter 418, Oregon Laws 2005, section 3, chapter 128,
 33 Oregon Laws 2007, section 9, chapter 182, Oregon Laws 2007, section 6, chapter 313, Oregon Laws
 34 2007, section 4, chapter 504, Oregon Laws 2007, section 4, chapter 566, Oregon Laws 2007, section
 35 4, chapter 872, Oregon Laws 2007, and section 6, chapter 22, Oregon Laws 2008, is amended to read:

36 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
 37 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

38 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
 39 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
 40 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
 41 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 and section 2, chapter 22, Oregon Laws 2008.

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

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

- 1 (d) ORS chapter 734.
- 2 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
 3 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
 4 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
 5 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
 6 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
 7 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,
 8 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,
 9 743A.164, 743A.168, 743A.184 and 743A.190 **and section 3 of this 2009 Act.**
- 10 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.
- 11 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
 12 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.
- 13 (h) ORS 743A.024, except in the case of group practice health maintenance organizations that
 14 are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is
 15 referred by a physician associated with a group practice health maintenance organization.
- 16 (i) ORS 735.600 to 735.650.
- 17 (j) ORS 743.680 to 743.689.
- 18 (k) ORS 744.700 to 744.740.
- 19 (L) ORS 743.730 to 743.773.
- 20 (m) ORS 731.485, except in the case of a group practice health maintenance organization that
 21 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns
 22 and operates an in-house drug outlet.
- 23 (2) For the purposes of this section, health care service contractors shall be deemed insurers.
- 24 (3) Any for-profit health care service contractor organized under the laws of any other state that
 25 is not governed by the insurance laws of the other state is subject to all requirements of ORS
 26 chapter 732.
- 27 (4) The Director of the Department of Consumer and Business Services may, after notice and
 28 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025
 29 and 750.045 that are deemed necessary for the proper administration of these provisions.
- 30 **SECTION 6.** ORS 750.333, as amended by section 7, chapter 22, Oregon Laws 2008, is amended
 31 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 743A.188 and 743A.190 **and section 3 of this 2009 Act.** Multiple employer welfare arrangements
 3 to which ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only
 4 as provided 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 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.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180
 36 and 743A.190 **and section 3 of this 2009 Act.** Multiple employer welfare arrangements to which
 37 ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as pro-
 38 vided in ORS 743.730 to 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 8.** 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:

13 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
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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,
 20 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
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 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.048,
 25 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180 and
 26 743A.190 **and section 3 of this 2009 Act.** Multiple employer welfare arrangements to which ORS
 27 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only as provided
 28 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 9. Section 3 of this 2009 Act and the amendments to ORS 750.055 and 750.333**
 42 **by sections 4 to 8 of this 2009 Act apply to health benefit plans contracted for or renewed**
 43 **on or after the effective date of this 2009 Act.**