

Senate Bill 489

Sponsored by Senator PROZANSKI (at the request of Arden Olson)

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**.

Gives enrollee in health benefit plan private cause of action if insurer agrees to be bound by decision of independent review organization and fails to comply.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to independent review of an insurer's decision; creating new provisions; amending ORS
3 743.864; and declaring an emergency.

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

5 **SECTION 1.** ORS 743.864 is amended to read:

6 743.864. (1) An enrollee who is the subject of a decision of an independent review organization
7 has a private right of action against the insurer for damages arising from an adverse decision by
8 the insurer that is subject to external review if:

9 (a) The insurer states in the health benefit plan in which the enrollee is enrolled that the
10 insurer is [*not*] bound by the decisions of an independent review organization; and

11 (b) The insurer fails to comply with the decision.

12 (2) The Legislative Assembly intends that there is no private right of action under subsection
13 (1) of this section if a court finds either subsection (1)(a) or (b) of this section to be unconstitutional
14 or otherwise void.

15 **SECTION 2.** The amendments to ORS 743.864 by section 1 of this 2009 Act apply to health
16 benefit plans entered into or renewed on or after the effective date of this 2009 Act.

17 **SECTION 3.** This 2009 Act being necessary for the immediate preservation of the public
18 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
19 on its passage.
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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.