

# Senate Bill 9

Sponsored by Senator COURTNEY

## 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**.

Removes sunset on requirement that health insurers, health care service contractors and multiple employer welfare arrangements provide coverage for treatment of inborn errors of metabolism under specified conditions.

Declares emergency, effective July 1, 2009.

## A BILL FOR AN ACT

1  
2 Relating to mandatory health insurance coverage of treatment of inborn errors of metabolism; cre-  
3 ating new provisions; amending ORS 750.055 and 750.333 and section 9, chapter 137, Oregon  
4 Laws 2003; repealing sections 2 and 5, chapter 263, Oregon Laws 2003; and declaring an emer-  
5 gency.

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

7 **SECTION 1. Sections 2 and 5, chapter 263, Oregon Laws 2003, are repealed.**

8 **SECTION 2. If this 2009 Act does not become effective until after July 3, 2009, the repeal**  
9 **of section 2, chapter 263, Oregon Laws 2003, by section 1 of this 2009 Act revives ORS**  
10 **743A.188. If this 2009 Act does not become effective until after July 3, 2009, this 2009 Act shall**  
11 **be operative retroactively to that date, and the operation and effect of ORS 743A.188 shall**  
12 **continue unaffected from July 3, 2009, to the effective date of this 2009 Act and thereafter.**  
13 **Any otherwise lawful action taken or otherwise lawful obligation incurred under the au-**  
14 **thority of ORS 743A.188 after July 3, 2009, and before the effective date of this 2009 Act is**  
15 **ratified and approved.**

16 **SECTION 3. ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,**  
17 **chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and**  
18 **6, chapter 255, Oregon Laws 2005, section 5, chapter 418, Oregon Laws 2005, section 3, chapter 128,**  
19 **Oregon Laws 2007, section 9, chapter 182, Oregon Laws 2007, section 6, chapter 313, Oregon Laws**  
20 **2007, section 4, chapter 504, Oregon Laws 2007, section 4, chapter 566, Oregon Laws 2007, section**  
21 **4, chapter 872, Oregon Laws 2007, and section 6, chapter 22, Oregon Laws 2008, is amended to read:**

22 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
23 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

24 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
25 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
26 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
27 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992 and section 2, chapter 22, Oregon Laws 2008.

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

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

**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 733.780.

2 (d) ORS chapter 734.

3 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
 4 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,  
 5 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,  
 6 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,  
 7 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,  
 8 743.913, 743A.010, 743A.012, 743A.036, 743A.048, 743A.062, 743A.064, 743A.066, 743A.068, 743A.070,  
 9 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.110, 743A.140, 743A.148, 743A.160,  
 10 743A.164, 743A.168, 743A.184, **743A.188** and 743A.190.

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

12 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 13 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

17 (i) ORS 735.600 to 735.650.

18 (j) ORS 743.680 to 743.689.

19 (k) ORS 744.700 to 744.740.

20 (L) ORS 743.730 to 743.773.

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

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

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

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

31 **SECTION 4.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, section 11,  
 32 chapter 182, Oregon Laws 2007, section 8, chapter 313, Oregon Laws 2007, section 6, chapter 504,  
 33 Oregon Laws 2007, section 6, chapter 566, Oregon Laws 2007, section 6, chapter 872, Oregon Laws  
 34 2007, and section 8, chapter 22, Oregon Laws 2008, is amended to read:

35 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
 36 tiple employer welfare arrangement:

37 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
 38 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
 39 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652 and 731.804 to 731.992.

40 (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.

41 (c) ORS chapter 734.

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

43 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
 44 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,  
 45 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,

1 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110  
 2 and 743A.184.

3 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.044,  
 4 743A.048, 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180,  
 5 **743A.188** and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773  
 6 apply are subject to the sections referred to in this paragraph only as provided in ORS 743.730 to  
 7 743.773.

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

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

11 (i) ORS 731.592 and 731.594.

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

13 (2) For the purposes of this section:

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

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

17 (c) Contributions shall be considered premiums.

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

20 **SECTION 5.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 4,  
 21 chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, section 6, chapter 418,  
 22 Oregon Laws 2005, section 12, chapter 182, Oregon Laws 2007, section 9, chapter 313, Oregon Laws  
 23 2007, section 7, chapter 504, Oregon Laws 2007, section 7, chapter 566, Oregon Laws 2007, section  
 24 7, chapter 872, Oregon Laws 2007, and section 9, chapter 22, Oregon Laws 2008, is amended to read:

25 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
 26 tiple employer welfare arrangement:

27 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
 28 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
 29 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652 and 731.804 to 731.992.

30 (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.

31 (c) ORS chapter 734.

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

33 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
 34 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,  
 35 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,  
 36 743.859, 743.861, 743.862, 743.863, 743.864, 743A.012, 743A.064, 743A.080, 743A.100, 743A.104, 743A.110  
 37 and 743A.184.

38 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,  
 39 743A.066, 743A.068, 743A.084, 743A.088, 743A.090, 743A.140, 743A.148, 743A.168, 743A.180, **743A.188**  
 40 and 743A.190. Multiple employer welfare arrangements to which ORS 743.730 to 743.773 apply are  
 41 subject to the sections referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

45 (i) ORS 731.592 and 731.594.

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

2 (2) For the purposes of this section:

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

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

6 (c) Contributions shall be considered premiums.

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

9 **SECTION 6.** Section 9, chapter 137, Oregon Laws 2003, is amended to read:

10 **Sec. 9.** The amendments to ORS 743.801, 743.827[,] and 743.839[, 750.055 and 750.333] by sections  
11 4 to [8] **6, chapter 137, Oregon Laws 2003, [of this 2003 Act]** become operative on October 4, 2009.

12 **SECTION 7. (1) The amendments to ORS 750.055 by section 3 of this 2009 Act apply to**  
13 **health care service contracts existing or entered into on or after July 1, 2009.**

14 **(2) The amendments to ORS 750.333 by sections 4 and 5 of this 2009 Act apply to a trust**  
15 **carrying out a multiple employer welfare arrangement on or after July 1, 2009.**

16 **SECTION 8. This 2009 Act being necessary for the immediate preservation of the public**  
17 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
18 **July 1, 2009.**

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