76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session **MEASURE: SB 633 CARRIER:**

STAFF MEASURE SUMMARY

Senate Committee on General Government, Consumer and Small Business Protection

REVENUE: Revenue statement issued FISCAL: Fiscal statement issued

Action: Without Recommendation as to Passage and Be Referred to the Committee on Ways and Means

Vote: 5 - 0 - 0

> Bonamici, Boquist, George, Monroe, Shields Yeas:

Navs: Exc.: 0

Patrick Brennan, Administrator **Prepared By:**

Meeting Dates: 3/9

WHAT THE MEASURE DOES: Exempts accident-only insurance policies from payment of assessment on gross amount of premiums.

ISSUES DISCUSSED:

- Differences between supplemental insurance and health insurance
- Negotiations in the passage of House Bill 2116 (2009)
- Fiscal and revenue impact of measure

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: House Bill 2116 (2009) established the Health System Fund, which is continuously appropriated to the Oregon Health Authority to fund medical assistance and private health options, and to pay refunds for hospital assessments. The measure created a one-percent assessment on health insurance premiums to provide moneys for the Fund. Several types of insurance policies were excluded from the requirement to pay the one-percent assessment, including vision-only and dental-only policies, Medicare advantage plans, and others. Senate Bill 633 adds accident-only insurance policies and specified disease and hospital indemnity policies that pay benefits on an indemnity basis to the list of types of policies exempt from the requirement to pay into the Health System Fund.