

House Bill 2484

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Consumer Protection and Government Accountability)

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 insurers to comply with coordination of benefits guidelines adopted by Director of Department of Consumer and Business Services by rule. Expands procedures covered under guidelines to include determination by insurers of amount of benefits payable and notification of amount determined to insured and provider. Requires director to resolve disputes between insurers regarding amount of benefits payable.

A BILL FOR AN ACT

1
2 Relating to coordination of health insurance benefits; amending ORS 743.549 and 743.552; and re-
3 pealing ORS 743.459 and 743.462.

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

5 **SECTION 1.** ORS 743.549 is amended to read:

6 *743.549. (1) [No group or blanket health insurance policy providing hospital, medical or surgical*
7 *expense benefits, and which contains a provision for the reduction of benefits otherwise payable there-*
8 *under on the basis of other existing coverages, shall provide that such reduction operates to reduce total*
9 *benefits payable below an amount equal to 100 percent of total allowable expenses, except as provided*
10 *for in a collective bargaining agreement.]* **A group or blanket health insurance policy providing**
11 **hospital, medical or surgical expense benefits and that contains a provision for the reduction**
12 **of benefits otherwise payable under the policy on the basis of other existing coverages may**
13 **not operate to reduce total benefits payable below an amount equal to 100 percent of total**
14 **allowable expenses, except as provided for in a collective bargaining agreement.**

15 **(2) An insurer offering a policy containing a provision described in this section shall**
16 **comply with rules adopted by the Director of the Department of Consumer and Business**
17 **Services under ORS 743.552.**

18 **SECTION 2.** ORS 743.552 is amended to read:

19 743.552. The Director of the Department of Consumer and Business Services shall by rule es-
20 tablish guidelines for the application of ORS 743.549, including:

21 (1) The procedures by which persons insured under such policies are to be made aware of the
22 existence of such a provision **and of the procedures described in subsection (5) of this section;**

23 (2) The benefits which may be subject to such a provision;

24 (3) The effect of such a provision on the benefits provided;

25 (4) Establishment of the order of benefit determination; and

26 (5) Reasonable claim administration procedures to expedite **and ensure the accuracy of** claim
27 payments under such a provision, which shall include:

28 **(a) Steps that insurers must take in carrying out such a provision to ensure that the**
29 **requirements of ORS 743.459 are met;**

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 **(b) Resolution by the director of any disputes arising between the primary insurer and**
2 **other insurers providing coverage subject to such a provision;**

3 **(c) Notification to the insured and to a provider of the amount determined by the primary**
4 **insurer to be payable to the provider; and**

5 **(d) A time limit of 14 days beyond which [the] an insurer shall not delay payment of a claim**
6 **by reason of the application of coordination of benefits provision.**

7 **SECTION 3. ORS 743.459 and 743.462 are repealed.**

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