

# Senate Bill 718

Sponsored by COMMITTEE ON GENERAL GOVERNMENT, CONSUMER AND SMALL BUSINESS PROTECTION

## 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 Director of Department of Consumer and Business Services to post to website of Department of Consumer and Business Services detailed rationale for approval of any health insurance rate filing that increases rates.

## A BILL FOR AN ACT

1  
2 Relating to health insurance rate review; creating new provisions; and amending ORS 742.003 and  
3 743.019.

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

5 **SECTION 1.** ORS 743.019 is amended to read:

6 743.019. (1) When an insurer files a schedule or table of premium rates for individual, portability  
7 or small employer health insurance [*under ORS 743.018,*] **for approval by** the Director of the De-  
8 partment of Consumer and Business Services, **the director** shall open a 30-day public comment pe-  
9 riod on the rate filing that begins on the date the insurer files the schedule or table of premium  
10 rates. The director shall post all comments to the website of the Department of Consumer and  
11 Business Services without delay.

12 (2) The director shall give written notice to an insurer approving or disapproving a rate filing  
13 or, with the written consent of the insurer, modifying a rate filing submitted under ORS 743.018 no  
14 later than 10 business days after the close of the public comment period. The notice shall comply  
15 with the requirements of ORS 183.415.

16 **(3) If the director approves a rate filing that increases rates above the rates previously**  
17 **approved by the director, the director shall make available on the department's website a**  
18 **detailed explanation of how the increased rates:**

19 **(a) Meet standards described in ORS 743.018 (4) and (5); and**

20 **(b) Are not subject to disapproval under ORS 742.005.**

21 **SECTION 2.** **The amendments to ORS 743.019 by section 1 of this 2011 Act apply to rate**  
22 **filings for periods of coverage that begin on or after the effective date of this 2011 Act.**

23 **SECTION 3.** ORS 742.003 is amended to read:

24 742.003. (1) Except where otherwise provided by law, no basic policy form, or application form  
25 where written application is required and is to be made a part of the policy, or rider, indorsement  
26 or renewal certificate form shall be delivered or issued for delivery in this state until the form has  
27 been filed with and approved by the Director of the Department of Consumer and Business Services.  
28 This section does not apply to:

29 (a) Forms of unique character which are designed for and used with respect to insurance upon  
30 a particular risk or subject;

31 (b) Forms issued at the request of a particular life or health insurance policy owner or certif-

**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 icate holder and which relate to the manner of distribution of benefits or to the reservation of rights  
2 and benefits thereunder;

3 (c) Forms of group life or health insurance policies, or both, that have been agreed upon as a  
4 result of negotiations between the policyholder and the insurer; or

5 (d) Forms complying with specific requirements regarding delivery or issuance for delivery in  
6 this state established by the director by rule.

7 (2) **Except as provided for rate filings under ORS 743.019**, the director shall within 30 days  
8 after the filing of any [*such*] form approve or disapprove the form. The director shall give written  
9 notice of [*such action*] **the approval or disapproval** to the insurer proposing to deliver [*such*] **the**  
10 form and when a form is disapproved the notice shall [*show wherein such form*] **explain why the**  
11 **form** does not comply with the law.

12 (3) The 30-day period referred to in subsection (2) of this section may be extended by the di-  
13 rector for an additional period not to exceed 30 days if the director gives written notice within the  
14 first 30-day period to the insurer proposing to deliver the form that the director needs [*such*] addi-  
15 tional time for the consideration of [*such*] **the** form.

16 (4) The director may at any time request an insurer to furnish the director a copy of any form  
17 exempted under subsection (1) of this section.

18