

A-Engrossed
Senate Bill 787

Ordered by the Senate April 20
Including Senate Amendments dated April 20

Sponsored by Senators ATKINSON, MONNES ANDERSON

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.

Requires health benefit plan to provide coverage of telemedical health service provided in connection with treatment of diabetes that meets certain criteria if health service is otherwise covered by plan.

A BILL FOR AN ACT

1
2 Relating to telemedical health services; creating new provisions; and amending ORS 750.055 and
3 750.333.

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

5 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of the Insurance Code.**

6 **SECTION 2. (1) As used in this section:**

7 (a) "Health benefit plan" has the meaning given that term in ORS 743.730.

8 (b) "Originating site" means a location where health services are provided or where the
9 patient is receiving a telemedical health service.

10 (c) "Telemedical" means delivered through a two-way electronic communication, includ-
11 ing but not limited to video, audio, Voice over Internet Protocol or transmission of
12 telemetry, that allows a health professional to interact with a patient, a parent or guardian
13 of a patient or another health professional on a patient's behalf, who is at an originating site.

14 (2) A health benefit plan must provide coverage of a telemedical health service provided
15 in connection with the treatment of diabetes if:

16 (a) The plan provides coverage of the health service when provided in person by the
17 health professional;

18 (b) The health service is medically necessary;

19 (c) The telemedical health service relates to a specific patient; and

20 (d) One of the participants in the telemedical health service is a representative of an
21 academic health center.

22 (3) A health benefit plan may not distinguish between rural and urban originating sites
23 in providing coverage under subsection (2) of this section.

24 (4) A health benefit plan may subject coverage of a telemedical health service under
25 subsection (2) of this section to all terms and conditions of the plan, including but not limited
26 to deductible, copayment or coinsurance requirements that are applicable to coverage of a
27 comparable health service when provided in person.

28 (5) This section does not require a health benefit plan to reimburse a provider for a

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 **health service that is not a covered benefit under the plan.**

2 **SECTION 3.** ORS 750.055 is amended to read:

3 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
4 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

5 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
6 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
7 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
8 731.737, 731.750, 731.752, 731.804, 731.844 to 731.992 and 731.870.

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

11 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
12 to 733.780.

13 (d) ORS chapter 734.

14 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
15 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,
16 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to 743.552,
17 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,
18 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.911,
19 743.912, 743.913, 743.917, 743A.010, 743A.012, 743A.020, 743A.036, 743A.048, 743A.058, 743A.062,
20 743A.064, 743A.066, 743A.068, 743A.070, 743A.080, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104,
21 743A.105, 743A.110, 743A.140, 743A.141, 743A.144, 743A.148, 743A.160, 743A.164, 743A.168, 743A.170,
22 743A.175, 743A.184, 743A.188, 743A.190 and 743A.192 **and section 2 of this 2011 Act.**

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

24 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
25 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

29 (i) ORS 735.600 to 735.650.

30 (j) ORS 743.680 to 743.689.

31 (k) ORS 744.700 to 744.740.

32 (L) ORS 743.730 to 743.773.

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

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

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

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

43 **SECTION 4.** ORS 750.333 is amended to read:

44 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-
45 tiple employer welfare arrangement:

1 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
2 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
3 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652 and 731.804 to 731.992.

4 (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.

5 (c) ORS chapter 734.

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

7 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
8 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.760 to 743.773), 743.801, 743.804,
9 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
10 743.859, 743.861, 743.862, 743.863, 743.864, 743.912, 743.917, 743A.012, 743A.020, 743A.052, 743A.064,
11 743A.080, 743A.100, 743A.104, 743A.110, 743A.144, 743A.170, 743A.175, 743A.184 and 743A.192.

12 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,
13 743A.058, 743A.066, 743A.068, 743A.070, 743A.084, 743A.088, 743A.090, 743A.105, 743A.140, 743A.141,
14 743A.148, 743A.168, 743A.180, 743A.188 and 743A.190 **and section 2 of this 2011 Act.** Multiple em-
15 ployer welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the sections re-
16 ferred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

20 (i) ORS 731.592 and 731.594.

21 (j) ORS 731.870.

22 (2) For the purposes of this section:

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

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

26 (c) Contributions shall be considered premiums.

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

29 **SECTION 5. Section 2 of this 2011 Act and the amendments to ORS 750.055 and 750.333**
30 **by sections 3 and 4 of this 2011 Act apply to health benefit plans contracted for or renewed**
31 **on or after the effective date of this 2011 Act.**

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