

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	8 - 0 - 0
Yeas:	Conger, Doherty, Hoyle, Kennemer, Keny-Guyer, Parrish, Greenlick, Thompson
Nays:	0
Exc.:	0
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/6, 2/8

WHAT THE MEASURE DOES: Exempts certain accident only, specified disease and hospital indemnity insurance policies from payment of assessment on gross amount of premiums. Effective September 29, 2013.

ISSUES DISCUSSED:

- Explanation of supplemental coverage
- Supplemental coverage differences from health insurance coverage
- Supplemental coverage 1 percent premium tax assessment
- Exempting supplemental coverage from 1 percent assessment
- Proposed amendment
- Service, indemnity, and disease specific insurance policies
- Minimal revenue reduction

EFFECT OF COMMITTEE AMENDMENT: Changes the effective date from July 1, 2013 to September 29, 2013.

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.

House Bill 4046A 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.