

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 1
Yeas:	Courtney, Kruse, Morse, Shields, Monnes Anderson
Nays:	0
Exc.:	Bates
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/3, 2/6, 2/8

WHAT THE MEASURE DOES: Exempts insurer from requirement to send notice of cancellation of health benefit plan if cancellation is due to nonpayment of premium. For group insurance plans, requires notice to spouse of continuation coverage only if plan has 20 or more certificate holders or employer has 20 or more employees. Delegates to Director of Department of Consumer and Business Services authority to prescribe information required to be included in notice triggered by qualifying event. Prohibits individual health benefit plan from imposing annual limits on essential health benefits. Modifies definition of “grievance” for purposes of filing grievance. Requires insurer to establish procedures for enrollee to continue ongoing course of treatment pending appeal of adverse benefit determination. Requires opportunity for review if patient is denied request for treatment on basis of lack of medical necessity. Restores language that allows plans to calculate who qualifies for continuation coverage for employers with 20 or more employees. Changes “enrollees” to “certificate holders”. Modifies retroactive operative date to June 23, 2011. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Provisions of the bill
- Notice required by a carrier of cancellation or nonrenewal to a policyholder
- Procedure for policyholders to obtain state continuation of coverage
- Continuation of coverage under a group policy upon termination of a membership in a group policy
- Several changes for statutory clarification and compliance with federal health reform

EFFECT OF COMMITTEE AMENDMENT: Restores language that allows plans to calculate who qualifies for continuation coverage for employers with 20 or more employees. Changes “enrollees” to “certificate holders”.

BACKGROUND: In the 2011 Legislative Session, Senate Bill 89 was enacted. The bill codified several reforms relating to the sale and administration of health insurance by the federal Patient Protection and Affordable Care Act (PPACA). Upon implementation of these changes, it arose that some of the original language required clarification.

Senate Bill 1504A represents the compromise between the Oregon Insurance Division and the carriers.