

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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<b>Action:</b>	Without Recommendation as to Passage, but with Amendments and Be Printed Engrossed and Be Referred to the Committee on Rules
<b>Vote:</b>	4 - 0 - 1
<b>Yeas:</b>	Baertschiger, Monnes Anderson, Prozanski, Shields
<b>Nays:</b>	0
<b>Exc.:</b>	George
<b>Prepared By:</b>	Channa Newell, Administrator
<b>Meeting Dates:</b>	3/08, 4/12

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**WHAT THE MEASURE DOES:** Imposes fee of no less than \$100,000 on insurers who fail to comply with reversal of adverse benefit determination by independent review organizations. Declares emergency; effective on passage.

**ISSUES DISCUSSED:**

- Process for independent review organization to review denial of autism treatment
- Instances of lawsuits over denied treatments
- Need for further refinement of amended measure
- Suggestion for threshold of findings and discretion for Director

**EFFECT OF COMMITTEE AMENDMENT:** Removes certain sections of measure.

**BACKGROUND:** A person enrolled in a health insurance plan in Oregon is entitled to have an adverse benefit determination reviewed by an independent review organization (IRO). The enrollee is entitled to a review, the cost of which is covered by the insurer, to determine whether a course or plan of treatment is medically necessary, experimental or investigational, an active course of treatment for purposes of continuity of care, or if the course or plan of treatment is delivered in an appropriate health care setting and with the appropriate level of care. The Department of Consumer and Business Services (Department) oversees the IROs and develops rules by which the IROs abide. The Department may have up to five contracts with different IROs at any one time.

Senate Bill 416-A requires DCBS to impose a civil penalty on an insurer of not less than \$100,000 and not more than \$1,000,000 in the event an insurer fails to comply in a timely manner with the decision of an IRO that reverses an adverse benefit determination, whether in whole or in part.