

House Bill 2006

Sponsored by Representative KOTEK (at the request of Michelle DuBarry)

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**.

Extends personal injury protection benefit coverage for certain expenses from one year after date of injury to two years after date of injury.

Modifies amount of reimbursement due personal injury protection benefit provider when total benefits exceed damages.

A BILL FOR AN ACT

1
2 Relating to personal injury protection benefits; creating new provisions; and amending ORS 742.524
3 and 742.544.

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

5 **SECTION 1.** ORS 742.524 is amended to read:

6 742.524. (1) Personal injury protection benefits [*as*] required [*by*] **under** ORS 742.520 [*shall*]
7 consist of the following payments for the injury or death of each person:

8 (a) All reasonable and necessary expenses [*of*] **for** medical, hospital, dental, surgical, ambulance
9 and prosthetic services [*incurred within one year*] **the person incurs within two years** after the
10 date of the person's injury, but not more than \$15,000 in the aggregate for all [*such*] **of the person's**
11 expenses [*of the person*]. Expenses [*of*] **for** medical, hospital, dental, surgical, ambulance and pros-
12 thetic services [*shall be*] **are** presumed to be reasonable and necessary unless the [*provider is*
13 *given*] **insurer gives the provider** notice, [*of denial of the charges*] not more than 60 calendar days
14 after the insurer receives from the provider notice of the claim for the services, **that the insurer**
15 **has denied the charges**. At any time during the first 50 calendar days after the insurer receives
16 notice of claim, the provider shall, within 10 business days, answer in writing questions from the
17 insurer regarding the claim. For purposes of [*determining when*] **calculating the end of** the 60-day
18 period [*provided by this paragraph has elapsed*] **within which the insurer must notify the pro-**
19 **vider that the insurer has denied the charges**, counting of days [*shall*] **must** be suspended if the
20 provider does not supply written answers to the insurer within 10 days and may not resume until
21 **the provider supplies the** answers [*are supplied*].

22 (b) If the injured person is usually engaged in a remunerative occupation and if **the person's**
23 disability continues for at least 14 days, 70 percent of the loss of income from work during the pe-
24 riod of the injured person's disability until the date the person is able to return to the person's usual
25 occupation. This benefit is subject to a maximum payment of \$3,000 per month and a maximum
26 payment period in the aggregate of 52 weeks. As used in this paragraph, "income" includes but is
27 not limited to salary, wages, tips, commissions, professional fees and profits from an individually
28 owned business or farm.

29 (c) If the injured person is not usually engaged in a remunerative occupation and if **the**
30 **person's** disability continues for at least 14 days, the expenses [*reasonably incurred by*] the injured

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 person **reasonably incurs** for essential services that *[were performed by]* a person who is not related
 2 to the injured person or residing in the injured person’s household **performs** in lieu of the services
 3 the injured person would have performed without income during the period of the person’s disability
 4 until the date the person is reasonably able to perform such essential services. This benefit is sub-
 5 ject to a maximum payment of \$30 per day and a maximum payment period in the aggregate of 52
 6 weeks.

7 (d) All reasonable and necessary funeral expenses *[incurred within one year]* **the person incurs**
 8 **within two years** after the date of the person’s injury, but not more than \$5,000.

9 (e) If the injured person is a parent of a minor child and *[is required to]* **must** be hospitalized
 10 for a minimum of 24 hours, \$25 per day for child care, with payments to begin after the initial 24
 11 hours of hospitalization and to be made for as long as the person is unable to return to work if the
 12 person is engaged in a remunerative occupation or for as long as the person is unable to perform
 13 essential services that the person would have performed without income if the person is not usually
 14 engaged in a remunerative occupation, but not to exceed \$750.

15 (2) With respect to the insured person and members of *[that]* **the insured** person’s family *[re-*
 16 *siding]* **that reside** in the same household, an insurer may offer forms of coverage for the benefits
 17 required *[by]* **under** subsection (1)(a), (b) and (c) of this section with deductibles of up to \$250.

18 **SECTION 2.** ORS 742.544 is amended to read:

19 742.544. (1) A provider of personal injury protection benefits shall be reimbursed for personal
 20 injury protection payments *[made]* **the provider makes** on behalf of any person only to the extent
 21 that the total amount of benefits **the provider** paid exceeds the *[economic]* damages *[as defined in*
 22 *ORS 31.710 suffered by that]* **the person suffered**. As used in this section, “total amount of
 23 benefits” means the amount of money *[recovered by]* a person **recovers** from:

- 24 (a) Applicable underinsured motorist benefits described in ORS 742.502 (2);
- 25 (b) Liability insurance coverage *[available to]* **that** the person *[receiving]* **who receives** the
 26 personal injury protection benefits **receives** from other parties to the accident;
- 27 (c) Personal injury protection payments; and
- 28 (d) Any other payments by or on behalf of the party whose fault caused the damages.

29 (2) *[Nothing in]* This section *[requires]* **does not require** a person to repay more than the
 30 amount of personal injury protection benefits **the person** actually *[received]* **receives**.

31 **SECTION 3. The amendments to ORS 742.524 and 742.544 by sections 1 and 2 of this 2013**
 32 **Act apply to motor vehicle liability policies that an insurer issues or renews on or after the**
 33 **effective date of this 2013 Act.**