

House Bill 2821

Sponsored by COMMITTEE ON CONSUMER PROTECTION AND GOVERNMENT EFFICIENCY

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**.

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

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

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 742.544 is amended to read:

6 742.544. (1) A provider of personal injury protection benefits shall be reimbursed for personal
7 injury protection payments made on behalf of any person only to the extent that the total amount
8 of benefits paid exceeds the [*economic*] damages [*as defined in ORS 31.710*] suffered by that person.
9 As used in this section, "total amount of benefits" means the amount of money recovered by a per-
10 son from:

11 (a) Applicable underinsured motorist benefits described in ORS 742.502 (2);

12 (b) Liability insurance coverage available to the person receiving the personal injury protection
13 benefits from other parties to the accident;

14 (c) Personal injury protection payments; and

15 (d) Any other payments by or on behalf of the party whose fault caused the damages.

16 (2) Nothing in this section requires a person to repay more than the amount of personal injury
17 protection benefits actually received.

18 **SECTION 2.** ORS 742.524 is amended to read:

19 742.524. (1) Personal injury protection benefits as required by ORS 742.520 shall consist of the
20 following payments for the injury or death of each person:

21 (a) All reasonable and necessary expenses of medical, hospital, dental, surgical, ambulance and
22 prosthetic services incurred within [*one year*] **two years** after the date of the person's injury, but
23 not more than \$15,000 in the aggregate for all such expenses of the person. Expenses of medical,
24 hospital, dental, surgical, ambulance and prosthetic services shall be presumed to be reasonable and
25 necessary unless the provider is given notice of denial of the charges not more than 60 calendar
26 days after the insurer receives from the provider notice of the claim for the services. At any time
27 during the first 50 calendar days after the insurer receives notice of claim, the provider shall, within
28 10 business days, answer in writing questions from the insurer regarding the claim. For purposes
29 of determining when the 60-day period provided by this paragraph has elapsed, counting of days
30 shall be suspended if the provider does not supply written answers to the insurer within 10 days and

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 may not resume until the answers are supplied.

2 (b) If the injured person is usually engaged in a remunerative occupation and if disability con-
3 tinues for at least 14 days, 70 percent of the loss of income from work during the period of the in-
4 jured person's disability until the date the person is able to return to the person's usual occupation.
5 This benefit is subject to a maximum payment of \$3,000 per month and a maximum payment period
6 in the aggregate of 52 weeks. As used in this paragraph, "income" includes but is not limited to
7 salary, wages, tips, commissions, professional fees and profits from an individually owned business
8 or farm.

9 (c) If the injured person is not usually engaged in a remunerative occupation and if disability
10 continues for at least 14 days, the expenses reasonably incurred by the injured person for essential
11 services that were performed by a person who is not related to the injured person or residing in the
12 injured person's household in lieu of the services the injured person would have performed without
13 income during the period of the person's disability until the date the person is reasonably able to
14 perform such essential services. This benefit is subject to a maximum payment of \$30 per day and
15 a maximum payment period in the aggregate of 52 weeks.

16 (d) All reasonable and necessary funeral expenses incurred within one year after the date of the
17 person's injury, but not more than \$5,000.

18 (e) If the injured person is a parent of a minor child and is required to be hospitalized for a
19 minimum of 24 hours, \$25 per day for child care, with payments to begin after the initial 24 hours
20 of hospitalization and to be made for as long as the person is unable to return to work if the person
21 is engaged in a remunerative occupation or for as long as the person is unable to perform essential
22 services that the person would have performed without income if the person is not usually engaged
23 in a remunerative occupation, but not to exceed \$750.

24 (2) With respect to the insured person and members of that person's family residing in the same
25 household, an insurer may offer forms of coverage for the benefits required by subsection (1)(a), (b)
26 and (c) of this section with deductibles of up to \$250.

27 **SECTION 3. The amendments to ORS 742.524 and 742.544 by sections 1 and 2 of this 2013**
28 **Act apply to motor vehicle liability policies issued or renewed on or after the effective date**
29 **of this 2013 Act.**

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