

# Senate Bill 729

Sponsored by Senator BATES

## 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**.

Allows coordinated care organizations to participate in Oregon Health Insurance Exchange.

## A BILL FOR AN ACT

Relating to Oregon Health Insurance Exchange; amending ORS 741.310.

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

**SECTION 1.** ORS 741.310, as amended by section 10, chapter 38, Oregon Laws 2012, and section 96, chapter 107, Oregon Laws 2012, is amended to read:

741.310. (1) The following individuals and groups may purchase qualified health plans through the health insurance exchange:

(a) Beginning January 1, 2014:

(A) Individuals and families; and

(B) Employers with no more than 50 employees.

(b) Beginning October 1, 2015, districts and eligible employees of districts that are subject to ORS 243.886, unless their participation is precluded by federal law.

(c) Beginning January 1, 2016, employers with 51 to 100 employees.

(2)(a) Only individuals who purchase health plans through the exchange may be eligible to receive premium tax credits under section 36B of the Internal Revenue Code and reduced cost-sharing under 42 U.S.C. 18071.

(b) Only employers that purchase health plans through the exchange may be eligible to receive small employer health insurance credits under section 45R of the Internal Revenue Code.

(3) *[Only]* (a) An insurer that has a certificate of authority to transact insurance in this state and that meets applicable federal requirements for participating in the exchange may offer a qualified health plan through the exchange.

**(b) A coordinated care organization that meets the criteria in ORS 414.625 (1) may offer through the exchange no more than one qualified health plan that:**

**(A) Meets the requirements of ORS 414.625 (2); and**

**(B) Provides the level of coverage required by ORS 414.707.**

(c) *[Any]* **All** qualified health *[plan]* **plans** must be certified under subsection (4) of this section. *[Prepaid managed care health services organizations that do not have a certificate of authority to transact insurance may serve only medical assistance recipients through the exchange and may not offer qualified health plans.]*

(4)(a) The Oregon Health Insurance Exchange Corporation shall adopt by rule uniform requirements, standards and criteria for the certification of qualified health plans, including requirements that a qualified health plan provide, at a minimum, essential health benefits and have acceptable

**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 consumer and provider satisfaction ratings.

2 (b) The corporation may limit the number of qualified health plans that may be offered through  
3 the exchange as long as the same limit applies to all insurers.

4 (c) The corporation shall consult with stakeholders, including but not limited to representatives  
5 of school administrators, school board members and school employees, regarding the plans that may  
6 be offered through the exchange to districts and eligible employees of districts under subsection  
7 (1)(b) of this section.

8 (5) Notwithstanding subsection (4) of this section, the corporation shall certify as qualified a  
9 dental only health plan as permitted by federal law.

10 (6) The corporation shall establish one streamlined and seamless application and enrollment  
11 process for both the exchange and the state medical assistance program.

12 (7) The corporation, in collaboration with the appropriate state authorities, may establish risk  
13 mediation programs within the exchange.

14 (8) The corporation shall establish by rule a process for certifying insurance producers to fa-  
15 cilitate the transaction of insurance through the exchange, in accordance with federal standards and  
16 policies.

17 (9) The corporation shall ensure, as required by federal laws, that an insurer charges the same  
18 premiums for plans sold through the exchange as for identical plans sold outside of the exchange.

19 (10) The corporation is authorized to enter into contracts for the performance of duties, func-  
20 tions or operations of the exchange, including but not limited to contracting with:

21 (a) All insurers that meet the requirements of subsections (3) and (4) of this section, to offer  
22 qualified health plans through the exchange; and

23 (b) Navigators certified by the corporation under ORS 741.002.

24 (11) The corporation is authorized to apply for and accept federal grants, other federal funds  
25 and grants from nongovernmental organizations for purposes of developing, implementing and ad-  
26 ministering the exchange. Moneys received under this subsection shall be deposited in an account  
27 established under ORS 741.101.

28 **SECTION 2.** ORS 741.310, as amended by section 12, chapter 415, Oregon Laws 2011, section  
29 11, chapter 38, Oregon Laws 2012, and section 97, chapter 107, Oregon Laws 2012, is amended to  
30 read:

31 741.310. (1) The following individuals and groups may purchase qualified health plans through  
32 the health insurance exchange:

33 (a) Individuals and families;

34 (b) Employers with no more than 100 employees; and

35 (c) Districts and eligible employees of districts that are subject to ORS 243.886, unless their  
36 participation is precluded by federal law.

37 (2)(a) Only individuals who purchase health plans through the exchange may be eligible to re-  
38 ceive premium tax credits under section 36B of the Internal Revenue Code and reduced cost-sharing  
39 under 42 U.S.C. 18071.

40 (b) Only employers that purchase health plans through the exchange may be eligible to receive  
41 small employer health insurance credits under section 45R of the Internal Revenue Code.

42 (3) [Only] (a) An insurer that has a certificate of authority to transact insurance in this state  
43 and that meets applicable federal requirements for participating in the exchange may offer a quali-  
44 fied health plan through the exchange.

45 **(b) A coordinated care organization that meets the criteria in ORS 414.025 (1) may offer**

1 **through the exchanges no more than one qualified health plan that:**

2 **(A) Meets the requirements of ORS 414.625 (2); and**

3 **(B) Provides the level of coverage required by ORS 414.707.**

4 (c) [Any] All qualified health [plan] plans must be certified under subsection (4) of this section.  
 5 [Prepaid managed care health services organizations that do not have a certificate of authority to  
 6 transact insurance may serve only medical assistance recipients through the exchange and may not of-  
 7 fer qualified health plans.]

8 (4)(a) The Oregon Health Insurance Exchange Corporation shall adopt by rule uniform require-  
 9 ments, standards and criteria for the certification of qualified health plans, including requirements  
 10 that a qualified health plan provide, at a minimum, essential health benefits and have acceptable  
 11 consumer and provider satisfaction ratings.

12 (b) The corporation may limit the number of qualified health plans that may be offered through  
 13 the exchange as long as the same limit applies to all insurers.

14 (c) The corporation shall consult with stakeholders, including but not limited to representatives  
 15 of school administrators, school board members and school employees, regarding the plans that may  
 16 be offered through the exchange to districts and eligible employees of districts under subsection  
 17 (1)(c) of this section.

18 (5) Notwithstanding subsection (4) of this section, the corporation shall certify as qualified a  
 19 dental only health plan as permitted by federal law.

20 (6) The corporation shall establish one streamlined and seamless application and enrollment  
 21 process for both the exchange and the state medical assistance program.

22 (7) The corporation, in collaboration with the appropriate state authorities, may establish risk  
 23 mediation programs within the exchange.

24 (8) The corporation shall establish by rule a process for certifying insurance producers to fa-  
 25 cilitate the transaction of insurance through the exchange, in accordance with federal standards and  
 26 policies.

27 (9) The corporation shall ensure, as required by federal laws, that an insurer charges the same  
 28 premiums for plans sold through the exchange as for identical plans sold outside of the exchange.

29 (10) The corporation is authorized to enter into contracts for the performance of duties, func-  
 30 tions or operations of the exchange, including but not limited to contracting with:

31 (a) Insurers that meet the requirements of subsections (3) and (4) of this section, to offer quali-  
 32 fied health plans through the exchange; and

33 (b) Navigators certified by the corporation under ORS 741.002.

34 (11) The corporation is authorized to apply for and accept federal grants, other federal funds  
 35 and grants from nongovernmental organizations for purposes of developing, implementing and ad-  
 36 ministering the exchange. Moneys received under this subsection shall be deposited in an account  
 37 established under ORS 741.101.

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