

**PROPOSED AMENDMENTS TO
HOUSE BILL 2724**

1 On page 1 of the printed bill, line 2, after the semicolon delete the rest
2 of the line and insert “creating new provisions; amending ORS 735.500”.

3 In line 3, delete “735.510”.

4 Delete lines 5 through 30 and delete pages 2 through 5 and insert:

5 **“SECTION 1. ORS 735.500 is amended to read:**

6 **“735.500. (1) As used in this section and ORS 735.510:**

7 **“(a) ‘Control’ means the possession, directly or indirectly, of the power**
8 **to direct or cause the direction of the management and policies of a person,**
9 **whether through the ownership of voting stock, by contract or otherwise. A**
10 **person who is the owner of 10 percent or more ownership interest in a**
11 **retainer medical practice or applicant for a certificate to operate a retainer**
12 **medical practice is presumed to have control.**

13 **“(b) ‘Primary care’ means outpatient, nonspecialty medical services or the**
14 **coordination of health care for the purpose of:**

15 **“(A) Promoting or maintaining mental and physical health and wellness;**
16 **and**

17 **“(B) Diagnosis, treatment or management of acute or chronic conditions**
18 **caused by disease, injury or illness.**

19 **“(c) ‘Provider’ means a health care professional licensed or certified under**
20 **ORS chapter 677, 678, **679**, 684 or 685 who provides [*primary care*] **services****
21 **in the ordinary course of business or practice of a profession.**

22 **“(d) ‘Retainer medical agreement’ means a written agreement between a**

1 retainer medical practice and a patient or a legal representative or guardian
2 of a patient specifying a defined and predetermined set of [*primary care*]
3 services to be provided in consideration for a retainer medical fee.

4 “(e) ‘Retainer medical fee’ means any fee paid to a retainer medical
5 practice pursuant to a medical retainer agreement.

6 “(f) ‘Retainer medical practice’ means a provider, a group of providers or
7 a person that employs or contracts with a provider or a group of providers
8 to provide services under the terms of a retainer medical agreement.

9 **“(g) ‘Services’ includes primary care and dental care.**

10 “(2) A retainer medical practice must be certified by the Department of
11 Consumer and Business Services. To qualify to become a certified retainer
12 medical practice or to renew a certificate, the practice:

13 “(a) May not have or have ever had a certificate of authority to transact
14 insurance in this state.

15 “(b) May not be or have ever been licensed, certified or otherwise au-
16 thorized in this state or any other state to act as an insurer, managed care
17 organization, health care service contractor or similar entity.

18 “(c) May not be controlled by an entity described in paragraph (a) or (b)
19 of this subsection.

20 “(3) A certified retainer medical practice:

21 “(a) Must provide only [*primary care*] **the type of services for which it**
22 **is certified** and must limit the scope of services provided or the number of
23 patients served to an amount that is within the capacity of the practice to
24 provide in a timely manner;

25 “(b) May not bill an insurer, a self-insured plan or the state medical as-
26 sistance program for a service provided by the practice to a patient pursuant
27 to a retainer medical agreement;

28 “(c) Must be financially responsible and have the necessary business ex-
29 perience or expertise to operate the practice;

30 “(d) Must give the written disclosures described in subsection (4) of this

1 section;

2 “(e) May not use or disseminate misleading, deceptive or false statements
3 in marketing, advertising, promotional, sales or informational materials re-
4 garding the practice or in communications with patients or prospective pa-
5 tients;

6 “(f) May not engage in dishonest, fraudulent or illegal conduct in any
7 business or profession; and

8 “(g) May not discriminate based on race, religion, gender, sexual identity,
9 sexual preference or health status.

10 “(4) A certified retainer medical practice must make the following written
11 information available to prospective patients by prominently disclosing, in
12 the manner prescribed by the department by rule, in marketing materials and
13 retainer medical agreements:

14 “(a) That the practice is not insurance;

15 “(b) That the practice provides only the limited scope of [*primary care*]
16 services specified in the retainer medical agreement;

17 “(c) That a patient must pay for all services not specified in the retainer
18 medical agreement; and

19 “(d) Any other disclosures required by the department by rule.

20 “(5) The department may by written order deny, suspend or revoke a
21 retainer medical practice certificate or may refuse to renew a retainer med-
22 ical practice certificate if the department finds that:

23 “(a) The retainer medical practice does not meet the criteria in sub-
24 sections (2) to (4) of this section;

25 “(b) The retainer medical practice has provided false, misleading, incom-
26 plete or inaccurate information in the application for a certificate or renewal
27 of a certificate;

28 “(c) The retainer medical practice provides [*medical*] services through a
29 provider whose license to provide the [*medical*] services offered on behalf of
30 the retainer medical practice is revoked;

1 “(d) The authority of the retainer medical practice to operate a retainer
2 medical practice or similar practice in another jurisdiction is denied, sus-
3 pended, revoked or not renewed;

4 “(e) The retainer medical practice, a person who has control over the
5 retainer medical practice or a [*health care*] provider providing services on
6 behalf of the retainer medical practice is charged with a felony or
7 misdemeanor involving dishonesty; or

8 “(f) The retainer medical practice fails to comply with subsection (7) of
9 this section.

10 “(6) With respect to a certified retainer medical practice or a retainer
11 medical practice operating without a certificate, the department is author-
12 ized to:

13 “(a) Investigate;

14 “(b) Subpoena documents and records related to the business of the prac-
15 tice; and

16 “(c) Take any actions authorized by the Insurance Code that are neces-
17 sary to administer and enforce this section.

18 “(7) A retainer medical practice subject to an investigation under sub-
19 section (5) of this section must:

20 “(a) Within five business days, respond to inquiries in the form and
21 manner specified by the department; and

22 “(b) Reimburse the expenses incurred by the department in conducting the
23 investigation.

24 “(8) A retainer medical practice may contest any order made under sub-
25 section (5) of this section in accordance with ORS chapter 183.

26 “(9) A certificate issued under subsection (2) of this section is effective
27 for one year or for a longer period as prescribed by the department by rule.

28 “(10) The department may adopt rules necessary or appropriate to imple-
29 ment the provisions of this section.

30 **“SECTION 2. (1) The amendments to ORS 735.500 by section 1 of this**

1 **2013 Act become operative on October 1, 2013.**

2 **“(2) The Department of Consumer and Business Services shall take**
3 **any action before October 1, 2013, that is necessary for the department**
4 **to begin accepting applications and certifying retainer medical prac-**
5 **tices that include dental care providers on and after October 1, 2013.”.**

6 On page 6, delete lines 1 through 32.

7 In line 33, delete “4” and insert “3”.

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