

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3458**

1 On page 1 of the printed bill, delete lines 10 through 30 and delete page  
2 2.

3 On page 3, delete lines 1 through 26 and insert:

4

5

**“ESTABLISHMENT OF THE  
OREGON REINSURANCE PROGRAM**

6

7

8

**“SECTION 1. The Oregon Reinsurance Program is established in the  
9 Oregon Health Authority. The program shall be administered by the  
10 Oregon Medical Insurance Pool Board, created in ORS 735.610, for the  
11 purposes of stabilizing the rates and premiums for individual health  
12 benefit plans and providing greater financial certainty to consumers  
13 of health insurance in this state by providing state reinsurance pay-  
14 ments to insurers from assessments described in section 2 of this 2013  
15 Act.**

16

**“SECTION 2. (1) As used in this section, section 1 of this 2013 Act  
17 and ORS 735.610:**

18

**“(a) ‘Health benefit plan’ has the meaning given that term in ORS  
19 743.730.**

20

**“(b) ‘Insurer’ means an insurer described in ORS 735.605 (4)(a), (b)  
21 and (d).**

22

**“(c) ‘Program’ means the Oregon Reinsurance Program established**

1 in section 1 of this 2013 Act.

2 “(d) ‘Reinsurance eligible health benefit plan’ means a health ben-  
3 efit plan providing individual coverage that:

4 “(A) Is delivered or issued for delivery in this state;

5 “(B) Is not a grandfathered health plan as defined in ORS 743.730;  
6 and

7 “(C) Meets the criteria prescribed by the Oregon Medical Insurance  
8 Pool Board under subsection (2) of this section.

9 “(e) ‘Reinsurance eligible individual’ means an individual who is  
10 insured on or before April 1, 2014, under a reinsurance eligible health  
11 benefit plan and who, on December 31, 2013, was:

12 “(A) Enrolled in the Oregon Medical Insurance Pool created in ORS  
13 735.610 or the Temporary High Risk Pool Program established in sec-  
14 tion 1, chapter 47, Oregon Laws 2010;

15 “(B) Insured under a portability health benefit plan as defined in  
16 ORS 743.760; or

17 “(C) Reinsured under the reinsurance program for children’s cov-  
18 erage described in ORS 735.614 (1)(b).

19 “(2) The board shall prescribe by rule the criteria for a health ben-  
20 efit plan to qualify for reinsurance payments under the program. The  
21 criteria must be consistent with requirements for:

22 “(a) Premium rates under 42 U.S.C. 300gg;

23 “(b) Guaranteed availability under 42 U.S.C. 300gg-1;

24 “(c) Guaranteed renewability under 42 U.S.C. 300gg-2;

25 “(d) Coverage of essential health benefits under 42 U.S.C. 18022; and

26 “(e) Using a single risk pool under 42 U.S.C. 18032(c).

27 “(3) An issuer of a reinsurance eligible health benefit plan becomes  
28 eligible for a reinsurance payment when the claims costs for a rein-  
29 surance eligible individual’s covered benefits in a calendar year exceed  
30 the attachment point. The amount of the payment shall be the product

1 of the coinsurance rate and the issuer's claims costs for the reinsur-  
2 ance eligible individual's claims costs that exceed the attachment  
3 point, up to the reinsurance cap, as follows:

4       “(a) For 2014:

5           “(A) The attachment point is \$30,000.

6           “(B) The reinsurance cap is \$300,000.

7           “(C) Except as provided in paragraph (b) of this subsection, the  
8 coinsurance rate is:

9           “(i) Ten percent for claims costs above \$60,000 and up to and in-  
10 cluding \$250,000; and

11           “(ii) Ninety percent for claims costs from \$30,000 and up to and in-  
12 cluding \$60,000 and above \$250,000.

13       “(b) The board may lower the coinsurance rate if the reinsurance  
14 claims incurred exceed the total amount of the assessments collected  
15 under subsection (4) of this section.

16       “(c) The board shall adopt by rule an attachment point, reinsurance  
17 cap and coinsurance rate for calendar years 2015 and 2016 that com-  
18 plement the federal reinsurance program requirements, so that the  
19 reinsurance claims do not exceed the total amount of the assessments  
20 collected under subsection (4) of this section. After the rules required  
21 under this paragraph are adopted for a calendar year, the board may  
22 not:

23           “(A) Change the attachment point or the reinsurance cap adopted  
24 for that calendar year; or

25           “(B) Increase the coinsurance rate adopted for that calendar year.

26       “(4) The board shall impose an assessment on all insurers at a rate  
27 that is expected to produce an amount of funds sufficient to pay ad-  
28 ministrative expenses and to make reinsurance payments that are due  
29 to issuers of reinsurance eligible health benefit plans in a calendar  
30 year, but not greater than the rate that would be expected to produce

1 funds totaling the lesser of:

2 “(a) An amount per month multiplied by the number of insureds  
3 and certificate holders in this state who are insured or reinsured; or

4 “(b) The total assessment set forth in subsection (5) of this section.

5 “(5) The amount per month and total assessment on all insurers are  
6 as follows:

7 “(a) For calendar year 2014, the amount per month is \$4 and the  
8 total assessment is \$72 million.

9 “(b) For calendar year 2015, the amount per month is \$3.50 and the  
10 total assessment is \$63 million.

11 “(c) For calendar year 2016, the amount per month is \$2.20 and the  
12 total assessment is \$40 million.

13 “(6) In determining the number of insureds and certificate holders  
14 in this state who are insured or reinsured, the board shall exclude in-  
15 dividuals with the following types of coverage:

16 “(a) The medical assistance program under ORS chapter 414;

17 “(b) Medicare;

18 “(c) Disability income insurance;

19 “(d) Hospital-only insurance;

20 “(e) Dental-only insurance;

21 “(f) Vision-only insurance;

22 “(g) Accident-only insurance;

23 “(h) Automobile insurance;

24 “(i) Specific disease insurance;

25 “(j) Medical supplemental plans;

26 “(k) TRICARE;

27 “(L) Prescription drug only plans;

28 “(m) Long term care insurance; and

29 “(n) Federal Employees Health Benefits Program.

30 “(7) If the board collects assessments that exceed the amount nec-

1 **essary to pay administrative expenses and to make all of the reinsur-**  
2 **ance payments that are due to issuers of reinsurance eligible health**  
3 **benefit plans in calendar years 2014, 2015 and 2016, the board shall re-**  
4 **fund the excess, on a pro rata basis, to insurers who are subject to the**  
5 **assessment imposed by subsection (4) of this section.**

6 **“(8) The board may not impose an assessment under subsection (4)**  
7 **of this section for calendar years beginning with 2017.**

8 **“(9) All moneys received or collected by the board under this section**  
9 **shall be paid into the Oregon Medical Insurance Pool Account estab-**  
10 **lished in ORS 735.612.**

11 **“(10) The board, in consultation with the Department of Consumer**  
12 **and Business Services, may adopt rules necessary to carry out the**  
13 **provisions of this section including, but not limited to, rules prescrib-**  
14 **ing:**

15 **“(a) The eligibility requirements for participation in the program**  
16 **by an issuer of a reinsurance eligible health benefit plan;**

17 **“(b) The form and manner of issuing notices of assessment**  
18 **amounts;**

19 **“(c) The amount, manner and frequency of the payment and col-**  
20 **lection of assessments;**

21 **“(d) The amount, manner and frequency of reinsurance payments;**  
22 **and**

23 **“(e) Reporting requirements for insurers subject to the assessment**  
24 **and for issuers of reinsurance eligible health benefit plans.”.**

25 In line 27, delete “Section 4 of this 2013 Act is” and insert “Sections 4  
26 and 4a of this 2013 Act are”.

27 In line 31, delete “Supplemental”.

28 In line 38, delete “Supplemental”.

29 After line 39, insert:

30 **“SECTION 4a. In a rate filing under ORS 743.018, an insurer must**

1 **identify the impact of:**

2 **“(1) State reinsurance payments under section 2 of this 2013 Act and**  
3 **federal reinsurance payments on projected claims costs and in the de-**  
4 **velopment of rates; and**

5 **“(2) Assessments imposed under section 2 of this 2013 Act on**  
6 **rates.”.**

7 On page 6, line 29, delete “Supplemental”.

8 On page 7, delete lines 7 through 45.

9 On page 8, delete lines 1 through 13 and insert:

10 **“SECTION 6.** ORS 735.610 is amended to read:

11 **“735.610. (1) There is created in the Oregon Health Authority the Oregon**  
12 **Medical Insurance Pool Board. The board shall establish the Oregon Medical**  
13 **Insurance Pool and otherwise carry out the responsibilities of the board un-**  
14 **der ORS 735.600 to 735.650 and sections 1, 2 and 4 of this 2013 Act.**

15 **“(2)(a) The board shall consist of [10] 12 individuals, [eight] 10 of whom**  
16 **shall be appointed by the Director of the Oregon Health Authority. The Di-**  
17 **rector of the Department of Consumer and Business Services or the director’s**  
18 **designee and the Director of the Oregon Health Authority or the director’s**  
19 **designee shall be members of the board. The chair of the board shall be**  
20 **elected from among the members of the board. The board shall at all times,**  
21 **to the extent possible, include at least:**

22 **“(A) One representative of a domestic insurance company licensed to**  
23 **transact health insurance[.];**

24 **“(B) One representative of a domestic not-for-profit health care service**  
25 **contractor[.];**

26 **“(C) One representative of a health maintenance organization[.];**

27 **“(D) One representative of reinsurers; and**

28 **“(E) [two] Four members of the general public:**

29 **“(i) Who are not associated with the medical profession, a hospital or an**  
30 **insurer[.]; and**

1       **“(ii) Two of whom represent businesses that purchase health in-**  
2 **surance coverage that is subject to the assessments under section 2**  
3 **of this 2013 Act.**

4       **“(b)** A majority of the voting members of the board constitutes a quorum  
5 for the transaction of business. An act by a majority of a quorum is an of-  
6 ficial act of the board.

7       **“(3)** The Director of the Oregon Health Authority may fill any vacancy  
8 on the board by appointment.

9       **“(4)** The board shall have the [*general powers and authority under the laws*  
10 *of this state granted to insurance companies with a certificate of authority to*  
11 *transact health insurance and the*] specific authority to:

12       **“(a)** Enter into such contracts as are necessary or proper to carry out the  
13 provisions and purposes of ORS 735.600 to 735.650 including the authority to  
14 enter into contracts with similar pools of other states for the joint perform-  
15 ance of common administrative functions, or with persons or other organ-  
16 izations for the performance of administrative functions;

17       **“(b)** Recover any assessments for, on behalf of, or against insurers;

18       **“(c)** Take such legal action as is necessary to avoid the payment of im-  
19 proper claims against the pool or the coverage provided by or through the  
20 pool;

21       **“[(d) Establish appropriate rates, rate schedules, rate adjustments, expense**  
22 *allowances, insurance producers’ referral fees, claim reserves or formulas and*  
23 *perform any other actuarial function appropriate to the operation of the pool.*  
24 *Rates may not be unreasonable in relation to the coverage provided, the risk*  
25 *experience and expenses of providing the coverage. Rates and rate schedules*  
26 *may be adjusted for appropriate risk factors such as age and area variation*  
27 *in claim costs and shall take into consideration appropriate risk factors in*  
28 *accordance with established actuarial and underwriting practices;]*

29       **“[(e) Issue policies of insurance in accordance with the requirements of**  
30 *ORS 735.600 to 735.650;]*

1 “[(f)] (d) Appoint from among insurers appropriate actuarial and other  
2 committees as necessary to provide technical assistance in the operation of  
3 the pool[, *policy and other contract design*] **and the Oregon Reinsurance**  
4 **Program**, and **for** any other function within the authority of the board;

5 “[(g)] (e) Seek advances to effect the purposes of the pool **and the pro-**  
6 **gram**; and

7 “[(h)] (f) Establish rules, conditions and procedures for reinsuring risks  
8 under ORS 735.600 to 735.650 **and the operation of and participation of**  
9 **issuers of reinsurance eligible health benefit plans in the program.**

10 “(5) Each member of the board is entitled to compensation and expenses  
11 as provided in ORS 292.495.

12 “(6) The Director of the Oregon Health Authority shall adopt rules, as  
13 provided under ORS chapter 183, implementing policies recommended by the  
14 board for the purpose of carrying out ORS 735.600 to 735.650 **and sections**  
15 **1, 2 and 4 of this 2013 Act.**

16 “(7) In consultation with the board, the Director of the Oregon Health  
17 Authority shall employ such staff and consultants as may be necessary for  
18 the purpose of carrying out responsibilities under ORS 735.600 to 735.650 **and**  
19 **sections 1, 2 and 4 of this 2013 Act.”.**

20 In line 15, delete “Supple-”.

21 In line 16, delete “mental”.

22 In line 24, delete “Supplemental”.

23 Delete lines 30 through 45 and delete page 9.

24 On page 10, delete lines 1 through 3 and insert:

25 **“SECTION 9.** ORS 291.055 is amended to read:

26 “291.055. (1) Notwithstanding any other law that grants to a state agency  
27 the authority to establish fees, all new state agency fees or fee increases  
28 adopted during the period beginning on the date of adjournment sine die of  
29 a regular session of the Legislative Assembly and ending on the date of  
30 adjournment sine die of the next regular session of the Legislative Assembly:



1 “(a) Are not effective for agencies in the executive department of gov-  
2 ernment unless approved in writing by the Director of the Oregon Depart-  
3 ment of Administrative Services;

4 “(b) Are not effective for agencies in the judicial department of govern-  
5 ment unless approved in writing by the Chief Justice of the Supreme Court;

6 “(c) Are not effective for agencies in the legislative department of gov-  
7 ernment unless approved in writing by the President of the Senate and the  
8 Speaker of the House of Representatives;

9 “(d) Shall be reported by the state agency to the Oregon Department of  
10 Administrative Services within 10 days of their adoption; and

11 “(e) Are rescinded on adjournment sine die of the next regular session of  
12 the Legislative Assembly as described in this subsection, unless otherwise  
13 authorized by enabling legislation setting forth the approved fees.

14 “(2) This section does not apply to:

15 “(a) Any tuition or fees charged by the State Board of Higher Education  
16 and the public universities listed in ORS 352.002.

17 “(b) Taxes or other payments made or collected from employers for un-  
18 employment insurance required by ORS chapter 657 or premium assessments  
19 required by ORS 656.612 and 656.614 or contributions and assessments cal-  
20 culated by cents per hour for workers’ compensation coverage required by  
21 ORS 656.506.

22 “(c) Fees or payments required for:

23 “(A) Health care services provided by the Oregon Health and Science  
24 University, by the Oregon Veterans’ Homes and by other state agencies and  
25 institutions pursuant to ORS 179.610 to 179.770.

26 “(B) Assessments [*and premiums paid to*] **imposed by** the Oregon Medical  
27 Insurance Pool [*established by ORS 735.614 and 735.625*] **Board under sec-**  
28 **tion 2 of this 2013 Act.**

29 “(C) Copayments and premiums paid to the Oregon medical assistance  
30 program.

1       “(D) Assessments paid to the Department of Consumer and Business Ser-  
2 vices under ORS 743.951 and 743.961.

3       “(d) Fees created or authorized by statute that have no established rate  
4 or amount but are calculated for each separate instance for each fee payer  
5 and are based on actual cost of services provided.

6       “(e) State agency charges on employees for benefits and services.

7       “(f) Any intergovernmental charges.

8       “(g) Forest protection district assessment rates established by ORS 477.210  
9 to 477.265 and the Oregon Forest Land Protection Fund fees established by  
10 ORS 477.760.

11       “(h) State Department of Energy assessments required by ORS 469.421 (8)  
12 and 469.681.

13       “(i) Any charges established by the State Parks and Recreation Director  
14 in accordance with ORS 565.080 (3).

15       “(j) Assessments on premiums charged by the Department of Consumer  
16 and Business Services pursuant to ORS 731.804 or fees charged by the Divi-  
17 sion of Finance and Corporate Securities of the Department of Consumer and  
18 Business Services to banks, trusts and credit unions pursuant to ORS 706.530  
19 and 723.114.

20       “(k) Public Utility Commission operating assessments required by ORS  
21 756.310 or charges paid to the Residential Service Protection Fund required  
22 by chapter 290, Oregon Laws 1987.

23       “(L) Fees charged by the Housing and Community Services Department  
24 for intellectual property pursuant to ORS 456.562.

25       “(m) New or increased fees that are anticipated in the legislative budg-  
26 eting process for an agency, revenues from which are included, explicitly or  
27 implicitly, in the legislatively adopted budget or the legislatively approved  
28 budget for the agency.

29       “(n) Tolls approved by the Oregon Transportation Commission pursuant  
30 to ORS 383.004.

1 “(o) Convenience fees as defined in ORS 182.126 and established by the  
2 Oregon Department of Administrative Services under ORS 182.132 (3) and  
3 recommended by the Electronic Government Portal Advisory Board.

4 “(3)(a) Fees temporarily decreased for competitive or promotional reasons  
5 or because of unexpected and temporary revenue surpluses may be increased  
6 to not more than their prior level without compliance with subsection (1)  
7 of this section if, at the time the fee is decreased, the state agency specifies  
8 the following:

9 “(A) The reason for the fee decrease; and

10 “(B) The conditions under which the fee will be increased to not more  
11 than its prior level.

12 “(b) Fees that are decreased for reasons other than those described in  
13 paragraph (a) of this subsection may not be subsequently increased except  
14 as allowed by ORS 291.050 to 291.060 and 294.160.”

15 On page 12, delete lines 13 through 45 and delete pages 13 and 14.

16 On page 15, delete line 1 and insert:

17 **“SECTION 12.** ORS 731.036 is amended to read:

18 “731.036. Except as provided in ORS 743.061 or as specifically provided  
19 by law, the Insurance Code does not apply to any of the following to the  
20 extent of the subject matter of the exemption:

21 “(1) A bail bondsman, other than a corporate surety and its agents.

22 “(2) A fraternal benefit society that has maintained lodges in this state  
23 and other states for 50 years prior to January 1, 1961, and for which a cer-  
24 tificate of authority was not required on that date.

25 “(3) A religious organization providing insurance benefits only to its em-  
26 ployees, if the organization is in existence and exempt from taxation under  
27 section 501(c)(3) of the federal Internal Revenue Code on September 13, 1975.

28 “(4) Public bodies, as defined in ORS 30.260, that either individually or  
29 jointly establish a self-insurance program for tort liability in accordance  
30 with ORS 30.282.

1 “(5) Public bodies, as defined in ORS 30.260, that either individually or  
2 jointly establish a self-insurance program for property damage in accordance  
3 with ORS 30.282.

4 “(6) Cities, counties, school districts, community college districts, com-  
5 munity college service districts or districts, as defined in ORS 198.010 and  
6 198.180, that either individually or jointly insure for health insurance cov-  
7 erage, excluding disability insurance, their employees or retired employees,  
8 or their dependents, or students engaged in school activities, or combination  
9 of employees and dependents, with or without employee or student contribu-  
10 tions, if all of the following conditions are met:

11 “(a) The individual or jointly self-insured program meets the following  
12 minimum requirements:

13 “(A) In the case of a school district, community college district or com-  
14 munity college service district, the number of covered employees and depen-  
15 dents and retired employees and dependents aggregates at least 500  
16 individuals;

17 “(B) In the case of an individual public body program other than a school  
18 district, community college district or community college service district, the  
19 number of covered employees and dependents and retired employees and de-  
20 pendants aggregates at least 500 individuals; and

21 “(C) In the case of a joint program of two or more public bodies, the  
22 number of covered employees and dependents and retired employees and de-  
23 pendants aggregates at least 1,000 individuals;

24 “(b) The individual or jointly self-insured health insurance program in-  
25 cludes all coverages and benefits required of group health insurance policies  
26 under ORS chapters 743 and 743A;

27 “(c) The individual or jointly self-insured program must have program  
28 documents that define program benefits and administration;

29 “(d) Enrollees must be provided copies of summary plan descriptions in-  
30 cluding:

1       “(A) Written general information about services provided, access to ser-  
2 vices, charges and scheduling applicable to each enrollee’s coverage;

3       “(B) The program’s grievance and appeal process; and

4       “(C) Other group health plan enrollee rights, disclosure or written pro-  
5 cedure requirements established under ORS chapters 743 and 743A;

6       “(e) The financial administration of an individual or jointly self-insured  
7 program must include the following requirements:

8       “(A) Program contributions and reserves must be held in separate ac-  
9 counts and used for the exclusive benefit of the program;

10       “(B) The program must maintain adequate reserves. Reserves may be in-  
11 vested in accordance with the provisions of ORS chapter 293. Reserve ade-  
12 quacy must be calculated annually with proper actuarial calculations  
13 including the following:

14       “(i) Known claims, paid and outstanding;

15       “(ii) A history of incurred but not reported claims;

16       “(iii) Claims handling expenses;

17       “(iv) Unearned contributions; and

18       “(v) A claims trend factor; and

19       “(C) The program must maintain adequate reinsurance against the risk  
20 of economic loss in accordance with the provisions of ORS 742.065 unless the  
21 program has received written approval for an alternative arrangement for  
22 protection against economic loss from the Director of the Department of  
23 Consumer and Business Services;

24       “(f) The individual or jointly self-insured program must have sufficient  
25 personnel to service the employee benefit program or must contract with a  
26 third party administrator licensed under ORS chapter 744 as a third party  
27 administrator to provide such services;

28       “(g) The individual or jointly self-insured program shall be subject to as-  
29 sessment in accordance with [*ORS 735.614 and former enrollees shall be eli-*  
30 *gible for portability coverage in accordance with ORS 735.616*] **section 2 of**

1 **this 2013 Act;**

2 “(h) The public body, or the program administrator in the case of a joint  
3 insurance program of two or more public bodies, files with the Director of  
4 the Department of Consumer and Business Services copies of all documents  
5 creating and governing the program, all forms used to communicate the  
6 coverage to beneficiaries, the schedule of payments established to support the  
7 program and, annually, a financial report showing the total incurred cost of  
8 the program for the preceding year. A copy of the annual audit required by  
9 ORS 297.425 may be used to satisfy the financial report filing requirement;  
10 and

11 “(i) Each public body in a joint insurance program is liable only to its  
12 own employees and no others for benefits under the program in the event,  
13 and to the extent, that no further funds, including funds from insurance  
14 policies obtained by the pool, are available in the joint insurance pool.

15 “(7) All ambulance services.

16 “(8) A person providing any of the services described in this subsection.  
17 The exemption under this subsection does not apply to an authorized insurer  
18 providing such services under an insurance policy. This subsection applies  
19 to the following services:

20 “(a) Towing service.

21 “(b) Emergency road service, which means adjustment, repair or replace-  
22 ment of the equipment, tires or mechanical parts of a motor vehicle in order  
23 to permit the motor vehicle to be operated under its own power.

24 “(c) Transportation and arrangements for the transportation of human  
25 remains, including all necessary and appropriate preparations for and actual  
26 transportation provided to return a decedent’s remains from the decedent’s  
27 place of death to a location designated by a person with valid legal authority  
28 under ORS 97.130.

29 “(9)(a) A person described in this subsection who, in an agreement to  
30 lease or to finance the purchase of a motor vehicle, agrees to waive for no

1 additional charge the amount specified in paragraph (b) of this subsection  
2 upon total loss of the motor vehicle because of physical damage, theft or  
3 other occurrence, as specified in the agreement. The exemption established  
4 in this subsection applies to the following persons:

5 “(A) The seller of the motor vehicle, if the sale is made pursuant to a  
6 motor vehicle retail installment contract.

7 “(B) The lessor of the motor vehicle.

8 “(C) The lender who finances the purchase of the motor vehicle.

9 “(D) The assignee of a person described in this paragraph.

10 “(b) The amount waived pursuant to the agreement shall be the difference,  
11 or portion thereof, between the amount received by the seller, lessor, lender  
12 or assignee, as applicable, that represents the actual cash value of the motor  
13 vehicle at the date of loss, and the amount owed under the agreement.

14 “(10) A self-insurance program for tort liability or property damage that  
15 is established by two or more affordable housing entities and that complies  
16 with the same requirements that public bodies must meet under ORS 30.282  
17 (6). As used in this subsection:

18 “(a) ‘Affordable housing’ means housing projects in which some of the  
19 dwelling units may be purchased or rented, with or without government as-  
20 sistance, on a basis that is affordable to individuals of low income.

21 “(b) ‘Affordable housing entity’ means any of the following:

22 “(A) A housing authority created under the laws of this state or another  
23 jurisdiction and any agency or instrumentality of a housing authority, in-  
24 cluding but not limited to a legal entity created to conduct a self-insurance  
25 program for housing authorities that complies with ORS 30.282 (6).

26 “(B) A nonprofit corporation that is engaged in providing affordable  
27 housing.

28 “(C) A partnership or limited liability company that is engaged in pro-  
29 viding affordable housing and that is affiliated with a housing authority de-  
30 scribed in subparagraph (A) of this paragraph or a nonprofit corporation

1 described in subparagraph (B) of this paragraph if the housing authority or  
2 nonprofit corporation:

3 “(i) Has, or has the right to acquire, a financial or ownership interest in  
4 the partnership or limited liability company;

5 “(ii) Has the power to direct the management or policies of the partner-  
6 ship or limited liability company;

7 “(iii) Has entered into a contract to lease, manage or operate the afford-  
8 able housing owned by the partnership or limited liability company; or

9 “(iv) Has any other material relationship with the partnership or limited  
10 liability company.

11 “(11) A community-based health care initiative approved by the Adminis-  
12 trator of the Office for Oregon Health Policy and Research under ORS  
13 735.723 operating a community-based health care improvement program ap-  
14 proved by the administrator.

15 “(12) Except as provided in ORS 735.500 and 735.510, a person certified  
16 by the Department of Consumer and Business Services to operate a retainer  
17 medical practice.”.

18 On page 17, line 37, before the period insert “and sections 1, 2 and 4 of  
19 this 2013 Act”.

20 On page 19, line 11, delete “until” and insert “. The board may not offer  
21 coverage under this section after”.

22 On page 25, delete lines 20 through 45.

23 On page 26, delete lines 1 through 8 and insert:

24 “**SECTION 21.** ORS 743.748, as amended by section 18, chapter 500,  
25 Oregon Laws 2011, is amended to read:

26 “743.748. (1) Each carrier offering a health benefit plan shall submit to  
27 the Director of the Department of Consumer and Business Services on or  
28 before April 1 of each year a report that contains:

29 “(a) The following information for the preceding year that is derived from  
30 the exhibit of premiums, enrollment and utilization included in the carrier’s



1 annual report:

2 “(A) The total number of members;

3 “(B) The total amount of premiums;

4 “(C) The total amount of costs for claims;

5 “(D) The medical loss ratio;

6 “(E) The average amount of premiums per member per month; and

7 “(F) The percentage change in the average premium per member per  
8 month, measured from the previous year.

9 “(b) The following aggregate financial information for the preceding year  
10 that is derived from the carrier’s annual report:

11 “(A) The total amount of general administrative expenses, including  
12 identification of the five largest nonmedical administrative expenses and the  
13 assessment against the carrier for the Oregon [*Medical Insurance Pool*] **Re-**  
14 **insurance Program;**

15 “(B) The total amount of the surplus maintained;

16 “(C) The total amount of the reserves maintained for unpaid claims;

17 “(D) The total net underwriting gain or loss; and

18 “(E) The carrier’s net income after taxes.

19 “(2) A carrier shall electronically submit the information described in  
20 subsection (1) of this section in a format and according to instructions pre-  
21 scribed by the Department of Consumer and Business Services by rule.

22 “(3) The department shall evaluate the reporting requirements under  
23 subsection (1)(a) of this section by the following market segments:

24 “(a) Individual health benefit plans;

25 “(b) Health benefit plans for small employers;

26 “(c) Health benefit plans for employers described in ORS 743.733; and

27 “(d) Health benefit plans for employers with more than 50 employees.

28 “(4) The department shall make the information reported under this sec-  
29 tion available to the public through a searchable public website on the  
30 Internet.”.

1 On page 35, line 42, delete “and 36” and insert “to 39”.

2 In line 43, delete “39” and insert “42”.

3 On page 42, line 32, after “date” insert “of section 26 of this 2013 Act,  
4 as” and delete “38” and insert “41”.

5 Delete lines 34 through 45 and delete pages 43 through 45.

6 On page 46, delete lines 1 through 4 and insert:

7

8 **“SUNSET OF OREGON**

9 **REINSURANCE PROGRAM**

10

11 **“SECTION 35.** ORS 731.509, as amended by section 5 of this 2013 Act, is  
12 amended to read:

13 “731.509. (1) The purpose of ORS 731.509, 731.510, 731.511, 731.512 and  
14 731.516 is to protect the interests of insureds, claimants, ceding insurers,  
15 assuming insurers and the public generally. The Legislative Assembly de-  
16 clares that its intent is to ensure adequate regulation of insurers and re-  
17 insurers and adequate protection for those to whom they owe obligations. In  
18 furtherance of that state interest, the Legislative Assembly mandates that  
19 upon the insolvency of an alien insurer or reinsurer that provides security  
20 to fund its United States obligations in accordance with ORS 731.509, 731.510,  
21 731.511, 731.512 and 731.516, the assets representing the security shall be  
22 maintained in the United States and claims shall be filed with and valued  
23 by the state insurance commissioner with regulatory oversight, and the as-  
24 sets shall be distributed in accordance with the insurance laws of the state  
25 in which the trust is domiciled that are applicable to the liquidation of do-  
26 mestic United States insurers. The Legislative Assembly declares that the  
27 laws contained in ORS 731.509, 731.510, 731.511, 731.512 and 731.516 are fun-  
28 damental to the business of insurance in accordance with 15 U.S.C. 1011 and  
29 1012.

30 “(2) The Director of the Department of Consumer and Business Services

1 shall not allow credit for reinsurance to a domestic ceding insurer as either  
2 an asset or a reduction from liability on account of reinsurance ceded unless  
3 credit is allowed as provided under ORS 731.508 and unless the reinsurer  
4 meets the requirements of:

5 “(a) Subsection (3) of this section;

6 “(b) Subsection (4) of this section;

7 “(c) Subsections (5) and (8) of this section;

8 “(d) Subsections (6) and (8) of this section; **or**

9 “(e) Subsection (7) of this section[; *or*].

10 “[*f*] *Subsection (9) of this section.*]

11 “(3) Credit shall be allowed when the reinsurance is ceded to an author-  
12 ized assuming insurer that accepts reinsurance of risks, and retains risk  
13 thereon within such limits, as the assuming insurer is otherwise authorized  
14 to insure in this state as provided in ORS 731.508.

15 “(4) Credit shall be allowed when the reinsurance is ceded to an assuming  
16 insurer that is accredited as a reinsurer in this state as provided in ORS  
17 731.511. The director shall not allow credit to a domestic ceding insurer if  
18 the accreditation of the assuming insurer has been revoked by the director  
19 after notice and opportunity for hearing.

20 “(5) Credit shall be allowed when the reinsurance is ceded to a foreign  
21 assuming insurer or a United States branch of an alien assuming insurer  
22 meeting all of the following requirements:

23 “(a) The foreign assuming insurer must be domiciled in a state employing  
24 standards regarding credit for reinsurance that equal or exceed the standards  
25 applicable under this section. The United States branch of an alien assuming  
26 insurer must be entered through a state employing such standards.

27 “(b) The foreign assuming insurer or United States branch of an alien  
28 assuming insurer must maintain a combined capital and surplus in an  
29 amount not less than \$20,000,000. The requirement of this paragraph does not  
30 apply to reinsurance ceded and assumed pursuant to pooling arrangements

1 among insurers in the same holding company system.

2 “(c) The foreign assuming insurer or United States branch of an alien  
3 assuming insurer must submit to the authority of the director to examine its  
4 books and records.

5 “(6) Credit shall be allowed when the reinsurance is ceded to an assuming  
6 insurer that maintains a trust fund meeting the requirements of this sub-  
7 section and additionally complies with other requirements of this subsection.  
8 The trust fund must be maintained in a qualified United States financial  
9 institution, as defined in ORS 731.510 (1), for the payment of the valid claims  
10 of its United States policyholders and ceding insurers and their assigns and  
11 successors in interest. The assuming insurer must report annually to the di-  
12 rector information substantially the same as that required to be reported on  
13 the annual statement form by ORS 731.574 by authorized insurers, in order  
14 to enable the director to determine the sufficiency of the trust fund. The  
15 following requirements apply to such a trust fund:

16 “(a) In the case of a single assuming insurer, the trust fund must consist  
17 of funds in trust in an amount not less than the assuming insurer’s liabilities  
18 attributable to reinsurance ceded by United States ceding insurers. In addi-  
19 tion, the assuming insurer must maintain a trusteed surplus of not less than  
20 \$20,000,000.

21 “(b) In the case of a group including incorporated and individual unin-  
22 corporated underwriters:

23 “(A) For reinsurance ceded under reinsurance agreements with an incep-  
24 tion, amendment or renewal date on or after August 1, 1995, the trust shall  
25 consist of a trusteed account in an amount not less than the group’s several  
26 liabilities attributable to business ceded by United States domiciled ceding  
27 insurers to any member of the group.

28 “(B) For reinsurance ceded under reinsurance agreements with an incep-  
29 tion date on or before July 31, 1995, and not amended or renewed after that  
30 date, notwithstanding the other provisions of ORS 731.509, 731.510, 731.511,

1 731.512 and 731.516, the trust shall consist of a trustee account in an  
2 amount not less than the group's several insurance and reinsurance liabil-  
3 ities attributable to business written in the United States.

4 "(C) In addition to the trusts described in subparagraphs (A) and (B) of  
5 this paragraph, the group shall maintain in trust a trustee surplus of which  
6 \$100,000,000 shall be held jointly for the benefit of the United States  
7 domiciled ceding insurers of any member of the group for all years of ac-  
8 count.

9 "(D) The incorporated members of the group shall not be engaged in any  
10 business other than underwriting as a member of the group and shall be  
11 subject to the same level of regulation and solvency control by the group's  
12 domiciliary regulator as are the unincorporated members.

13 "(E) Within 90 days after the group's financial statements are due to be  
14 filed with the group's domiciliary regulator, the group shall provide to the  
15 director an annual certification by the group's domiciliary regulator of the  
16 solvency of each underwriter member or, if certification is unavailable, fi-  
17 nancial statements of each underwriter member of the group prepared by  
18 independent certified public accountants.

19 "(c) In the case of a group of incorporated insurers described in this  
20 paragraph, the trust must be in an amount equal to the group's several li-  
21 abilities attributable to business ceded by United States ceding insurers to  
22 any member of the group pursuant to reinsurance contracts issued in the  
23 name of the group. This paragraph applies to a group of incorporated  
24 insurers under common administration that complies with the annual re-  
25 porting requirements contained in this subsection and that has continuously  
26 transacted an insurance business outside the United States for at least three  
27 years immediately prior to making application for accreditation. Such a  
28 group must have an aggregate policyholders' surplus of \$10,000,000,000 and  
29 must submit to the authority of this state to examine its books and records  
30 and bear the expense of the examination. The group shall also maintain a

1 joint trusteed surplus of which \$100,000,000 must be held jointly for the  
2 benefit of United States ceding insurers of any member of the group as ad-  
3 ditional security for any such liabilities. Each member of the group shall  
4 make available to the director an annual certification of the member's  
5 solvency by the member's domiciliary regulator and its independent certified  
6 public accountant.

7       “(d) The form of the trust and any amendment to the trust shall have been  
8 approved by the insurance commissioner of the state in which the trust is  
9 domiciled or by the insurance commissioner of another state who, pursuant  
10 to the terms of the trust instrument, has accepted principal regulatory  
11 oversight of the trust.

12       “(e) The form of the trust and any trust amendments also shall be filed  
13 with the insurance commissioner of every state in which the ceding insurer  
14 beneficiaries of the trust are domiciled. The trust instrument must provide  
15 that contested claims shall be valid and enforceable upon the final order of  
16 any court of competent jurisdiction in the United States. The trust must vest  
17 legal title to its assets in its trustees for the benefit of the assuming  
18 insurer's United States ceding insurers and their assigns and successors in  
19 interest. The trust and the assuming insurer are subject to examination as  
20 determined by the director. The trust must remain in effect for as long as  
21 the assuming insurer has outstanding obligations due under the reinsurance  
22 agreements subject to the trust.

23       “(f) Not later than March 1 of each year, the trustees of each trust shall  
24 report to the director in writing the balance of the trust and listing the  
25 trust's investments at the preceding year end, and shall certify the date of  
26 termination of the trust, if so planned, or certify that the trust will not ex-  
27 pire prior to the following December 31.

28       “(7) Credit shall be allowed when the reinsurance is ceded to an assuming  
29 insurer not meeting the requirements of subsection (3), (4), (5) or (6) of this  
30 section, but only as to the insurance of risks located in jurisdictions in

1 which the reinsurance is required by applicable law or regulation of that  
2 jurisdiction.

3 “(8) If the assuming insurer is not authorized to transact insurance in this  
4 state or accredited as a reinsurer in this state, the director shall not allow  
5 the credit permitted by subsections (5) and (6) of this section unless the as-  
6 suming insurer agrees in the reinsurance agreement to the provisions stated  
7 in this subsection. This subsection is not intended to conflict with or over-  
8 ride the obligation of the parties to a reinsurance agreement to arbitrate  
9 their disputes, if such an obligation is created in the agreement. The as-  
10 suming insurer must agree in the reinsurance agreement:

11 “(a) That in the event of the failure of the assuming insurer to perform  
12 its obligations under the terms of the reinsurance agreement, the assuming  
13 insurer, at the request of the ceding insurer, shall submit to the jurisdiction  
14 of any court of competent jurisdiction in any state of the United States, will  
15 comply with all requirements necessary to give the court jurisdiction and  
16 will abide by the final decision of the court or of any appellate court in the  
17 event of an appeal; and

18 “(b) To designate the director or a designated attorney as its true and  
19 lawful attorney upon whom any lawful process in any action, suit or pro-  
20 ceeding instituted by or on behalf of the ceding company may be served.

21 “[~~(9)~~ *Credit shall be allowed when the reinsurance is ceded to the Oregon*  
22 *Reinsurance Program established in section 1 of this 2013 Act.*]

23 “[~~(10)~~] **(9)** If the assuming insurer does not meet the requirements of  
24 subsection (3), (4) or (5) of this section, the credit permitted by subsection  
25 (6) of this section shall not be allowed unless the assuming insurer agrees  
26 in the trust agreements to the following conditions:

27 “(a) Notwithstanding any other provisions in the trust instrument, if the  
28 trust fund is inadequate because it contains an amount less than the appli-  
29 cable amount required by subsection (6)(a), (b) or (c) of this section, or if the  
30 grantor of the trust has been declared insolvent or placed into receivership,

1 rehabilitation, liquidation or similar proceedings under the laws of the  
2 grantor's state or country of domicile, the trustee shall comply with an order  
3 of the insurance commissioner with regulatory oversight over the trust or  
4 with an order of a court of competent jurisdiction directing the trustee to  
5 transfer to the insurance commissioner with regulatory oversight all the as-  
6 sets of the trust fund.

7 “(b) The assets shall be distributed by and claims shall be filed with and  
8 valued by the insurance commissioner with regulatory oversight in accord-  
9 ance with the laws of the state in which the trust is domiciled that are ap-  
10 plicable to the liquidation of domestic insurance companies.

11 “(c) If the insurance commissioner with regulatory oversight determines  
12 that the assets of the trust fund or any part thereof are not necessary to  
13 satisfy the claims of the United States ceding insurers of the grantor of the  
14 trust, the assets or part thereof shall be returned by the insurance commis-  
15 sioner according to the laws of that state and according to the terms of the  
16 trust agreement not inconsistent with the laws of that state.

17 “(d) The grantor shall waive any right otherwise available to it under  
18 United States law that is inconsistent with this subsection.

19 **“SECTION 36.** ORS 291.055, as amended by section 9 of this 2013 Act, is  
20 amended to read:

21 “291.055. (1) Notwithstanding any other law that grants to a state agency  
22 the authority to establish fees, all new state agency fees or fee increases  
23 adopted during the period beginning on the date of adjournment sine die of  
24 a regular session of the Legislative Assembly and ending on the date of  
25 adjournment sine die of the next regular session of the Legislative Assembly:

26 “(a) Are not effective for agencies in the executive department of gov-  
27 ernment unless approved in writing by the Director of the Oregon Depart-  
28 ment of Administrative Services;

29 “(b) Are not effective for agencies in the judicial department of govern-  
30 ment unless approved in writing by the Chief Justice of the Supreme Court;



1 “(c) Are not effective for agencies in the legislative department of gov-  
2 ernment unless approved in writing by the President of the Senate and the  
3 Speaker of the House of Representatives;

4 “(d) Shall be reported by the state agency to the Oregon Department of  
5 Administrative Services within 10 days of their adoption; and

6 “(e) Are rescinded on adjournment sine die of the next regular session of  
7 the Legislative Assembly as described in this subsection, unless otherwise  
8 authorized by enabling legislation setting forth the approved fees.

9 “(2) This section does not apply to:

10 “(a) Any tuition or fees charged by the State Board of Higher Education  
11 and the public universities listed in ORS 352.002.

12 “(b) Taxes or other payments made or collected from employers for un-  
13 employment insurance required by ORS chapter 657 or premium assessments  
14 required by ORS 656.612 and 656.614 or contributions and assessments cal-  
15 culated by cents per hour for workers’ compensation coverage required by  
16 ORS 656.506.

17 “(c) Fees or payments required for:

18 “(A) Health care services provided by the Oregon Health and Science  
19 University, by the Oregon Veterans’ Homes and by other state agencies and  
20 institutions pursuant to ORS 179.610 to 179.770.

21 “[*B*] *Assessments imposed by the Oregon Medical Insurance Pool Board*  
22 *under section 2 of this 2013 Act.*]

23 “[*C*] **(B)** Copayments and premiums paid to the Oregon medical assist-  
24 ance program.

25 “[*D*] **(C)** Assessments paid to the Department of Consumer and Business  
26 Services under ORS 743.951 and 743.961.

27 “(d) Fees created or authorized by statute that have no established rate  
28 or amount but are calculated for each separate instance for each fee payer  
29 and are based on actual cost of services provided.

30 “(e) State agency charges on employees for benefits and services.

1 “(f) Any intergovernmental charges.

2 “(g) Forest protection district assessment rates established by ORS 477.210  
3 to 477.265 and the Oregon Forest Land Protection Fund fees established by  
4 ORS 477.760.

5 “(h) State Department of Energy assessments required by ORS 469.421 (8)  
6 and 469.681.

7 “(i) Any charges established by the State Parks and Recreation Director  
8 in accordance with ORS 565.080 (3).

9 “(j) Assessments on premiums charged by the Department of Consumer  
10 and Business Services pursuant to ORS 731.804 or fees charged by the Divi-  
11 sion of Finance and Corporate Securities of the Department of Consumer and  
12 Business Services to banks, trusts and credit unions pursuant to ORS 706.530  
13 and 723.114.

14 “(k) Public Utility Commission operating assessments required by ORS  
15 756.310 or charges paid to the Residential Service Protection Fund required  
16 by chapter 290, Oregon Laws 1987.

17 “(L) Fees charged by the Housing and Community Services Department  
18 for intellectual property pursuant to ORS 456.562.

19 “(m) New or increased fees that are anticipated in the legislative budg-  
20 eting process for an agency, revenues from which are included, explicitly or  
21 implicitly, in the legislatively adopted budget or the legislatively approved  
22 budget for the agency.

23 “(n) Tolls approved by the Oregon Transportation Commission pursuant  
24 to ORS 383.004.

25 “(o) Convenience fees as defined in ORS 182.126 and established by the  
26 Oregon Department of Administrative Services under ORS 182.132 (3) and  
27 recommended by the Electronic Government Portal Advisory Board.

28 “(3)(a) Fees temporarily decreased for competitive or promotional reasons  
29 or because of unexpected and temporary revenue surpluses may be increased  
30 to not more than their prior level without compliance with subsection (1)

1 of this section if, at the time the fee is decreased, the state agency specifies  
2 the following:

3 “(A) The reason for the fee decrease; and

4 “(B) The conditions under which the fee will be increased to not more  
5 than its prior level.

6 “(b) Fees that are decreased for reasons other than those described in  
7 paragraph (a) of this subsection may not be subsequently increased except  
8 as allowed by ORS 291.050 to 291.060 and 294.160.

9 **“SECTION 37.** ORS 731.036, as amended by section 12 of this 2013 Act,  
10 is amended to read:

11 “731.036. Except as provided in ORS 743.061 or as specifically provided  
12 by law, the Insurance Code does not apply to any of the following to the  
13 extent of the subject matter of the exemption:

14 “(1) A bail bondsman, other than a corporate surety and its agents.

15 “(2) A fraternal benefit society that has maintained lodges in this state  
16 and other states for 50 years prior to January 1, 1961, and for which a cer-  
17 tificate of authority was not required on that date.

18 “(3) A religious organization providing insurance benefits only to its em-  
19 ployees, if the organization is in existence and exempt from taxation under  
20 section 501(c)(3) of the federal Internal Revenue Code on September 13, 1975.

21 “(4) Public bodies, as defined in ORS 30.260, that either individually or  
22 jointly establish a self-insurance program for tort liability in accordance  
23 with ORS 30.282.

24 “(5) Public bodies, as defined in ORS 30.260, that either individually or  
25 jointly establish a self-insurance program for property damage in accordance  
26 with ORS 30.282.

27 “(6) Cities, counties, school districts, community college districts, com-  
28 munity college service districts or districts, as defined in ORS 198.010 and  
29 198.180, that either individually or jointly insure for health insurance cov-  
30 erage, excluding disability insurance, their employees or retired employees,

1 or their dependents, or students engaged in school activities, or combination  
2 of employees and dependents, with or without employee or student contribu-  
3 tions, if all of the following conditions are met:

4 “(a) The individual or jointly self-insured program meets the following  
5 minimum requirements:

6 “(A) In the case of a school district, community college district or com-  
7 munity college service district, the number of covered employees and depen-  
8 dents and retired employees and dependents aggregates at least 500  
9 individuals;

10 “(B) In the case of an individual public body program other than a school  
11 district, community college district or community college service district, the  
12 number of covered employees and dependents and retired employees and de-  
13 pendents aggregates at least 500 individuals; and

14 “(C) In the case of a joint program of two or more public bodies, the  
15 number of covered employees and dependents and retired employees and de-  
16 pendents aggregates at least 1,000 individuals;

17 “(b) The individual or jointly self-insured health insurance program in-  
18 cludes all coverages and benefits required of group health insurance policies  
19 under ORS chapters 743 and 743A;

20 “(c) The individual or jointly self-insured program must have program  
21 documents that define program benefits and administration;

22 “(d) Enrollees must be provided copies of summary plan descriptions in-  
23 cluding:

24 “(A) Written general information about services provided, access to ser-  
25 vices, charges and scheduling applicable to each enrollee’s coverage;

26 “(B) The program’s grievance and appeal process; and

27 “(C) Other group health plan enrollee rights, disclosure or written pro-  
28 cedure requirements established under ORS chapters 743 and 743A;

29 “(e) The financial administration of an individual or jointly self-insured  
30 program must include the following requirements:

1       “(A) Program contributions and reserves must be held in separate ac-  
2 counts and used for the exclusive benefit of the program;

3       “(B) The program must maintain adequate reserves. Reserves may be in-  
4 vested in accordance with the provisions of ORS chapter 293. Reserve ade-  
5 quacy must be calculated annually with proper actuarial calculations  
6 including the following:

7       “(i) Known claims, paid and outstanding;

8       “(ii) A history of incurred but not reported claims;

9       “(iii) Claims handling expenses;

10       “(iv) Unearned contributions; and

11       “(v) A claims trend factor; and

12       “(C) The program must maintain adequate reinsurance against the risk  
13 of economic loss in accordance with the provisions of ORS 742.065 unless the  
14 program has received written approval for an alternative arrangement for  
15 protection against economic loss from the Director of the Department of  
16 Consumer and Business Services;

17       “(f) The individual or jointly self-insured program must have sufficient  
18 personnel to service the employee benefit program or must contract with a  
19 third party administrator licensed under ORS chapter 744 as a third party  
20 administrator to provide such services;

21       “*[(g) The individual or jointly self-insured program shall be subject to as-*  
22 *essment in accordance with section 2 of this 2013 Act;]*

23       “*[(h)]* **(g)** The public body, or the program administrator in the case of a  
24 joint insurance program of two or more public bodies, files with the Director  
25 of the Department of Consumer and Business Services copies of all docu-  
26 ments creating and governing the program, all forms used to communicate  
27 the coverage to beneficiaries, the schedule of payments established to support  
28 the program and, annually, a financial report showing the total incurred cost  
29 of the program for the preceding year. A copy of the annual audit required  
30 by ORS 297.425 may be used to satisfy the financial report filing requirement;

1 and

2 “[*i*] (h) Each public body in a joint insurance program is liable only to  
3 its own employees and no others for benefits under the program in the event,  
4 and to the extent, that no further funds, including funds from insurance  
5 policies obtained by the pool, are available in the joint insurance pool.

6 “(7) All ambulance services.

7 “(8) A person providing any of the services described in this subsection.  
8 The exemption under this subsection does not apply to an authorized insurer  
9 providing such services under an insurance policy. This subsection applies  
10 to the following services:

11 “(a) Towing service.

12 “(b) Emergency road service, which means adjustment, repair or replace-  
13 ment of the equipment, tires or mechanical parts of a motor vehicle in order  
14 to permit the motor vehicle to be operated under its own power.

15 “(c) Transportation and arrangements for the transportation of human  
16 remains, including all necessary and appropriate preparations for and actual  
17 transportation provided to return a decedent’s remains from the decedent’s  
18 place of death to a location designated by a person with valid legal authority  
19 under ORS 97.130.

20 “(9)(a) A person described in this subsection who, in an agreement to  
21 lease or to finance the purchase of a motor vehicle, agrees to waive for no  
22 additional charge the amount specified in paragraph (b) of this subsection  
23 upon total loss of the motor vehicle because of physical damage, theft or  
24 other occurrence, as specified in the agreement. The exemption established  
25 in this subsection applies to the following persons:

26 “(A) The seller of the motor vehicle, if the sale is made pursuant to a  
27 motor vehicle retail installment contract.

28 “(B) The lessor of the motor vehicle.

29 “(C) The lender who finances the purchase of the motor vehicle.

30 “(D) The assignee of a person described in this paragraph.

1 “(b) The amount waived pursuant to the agreement shall be the difference,  
2 or portion thereof, between the amount received by the seller, lessor, lender  
3 or assignee, as applicable, that represents the actual cash value of the motor  
4 vehicle at the date of loss, and the amount owed under the agreement.

5 “(10) A self-insurance program for tort liability or property damage that  
6 is established by two or more affordable housing entities and that complies  
7 with the same requirements that public bodies must meet under ORS 30.282  
8 (6). As used in this subsection:

9 “(a) ‘Affordable housing’ means housing projects in which some of the  
10 dwelling units may be purchased or rented, with or without government as-  
11 sistance, on a basis that is affordable to individuals of low income.

12 “(b) ‘Affordable housing entity’ means any of the following:

13 “(A) A housing authority created under the laws of this state or another  
14 jurisdiction and any agency or instrumentality of a housing authority, in-  
15 cluding but not limited to a legal entity created to conduct a self-insurance  
16 program for housing authorities that complies with ORS 30.282 (6).

17 “(B) A nonprofit corporation that is engaged in providing affordable  
18 housing.

19 “(C) A partnership or limited liability company that is engaged in pro-  
20 viding affordable housing and that is affiliated with a housing authority de-  
21 scribed in subparagraph (A) of this paragraph or a nonprofit corporation  
22 described in subparagraph (B) of this paragraph if the housing authority or  
23 nonprofit corporation:

24 “(i) Has, or has the right to acquire, a financial or ownership interest in  
25 the partnership or limited liability company;

26 “(ii) Has the power to direct the management or policies of the partner-  
27 ship or limited liability company;

28 “(iii) Has entered into a contract to lease, manage or operate the afford-  
29 able housing owned by the partnership or limited liability company; or

30 “(iv) Has any other material relationship with the partnership or limited

1 liability company.

2 “(11) A community-based health care initiative approved by the Adminis-  
3 trator of the Office for Oregon Health Policy and Research under ORS  
4 735.723 operating a community-based health care improvement program ap-  
5 proved by the administrator.

6 “(12) Except as provided in ORS 735.500 and 735.510, a person certified  
7 by the Department of Consumer and Business Services to operate a retainer  
8 medical practice.

9 **“SECTION 38.** ORS 743.748, as amended by section 18, chapter 500,  
10 Oregon Laws 2011, and section 21 of this 2013 Act, is amended to read:

11 “743.748. (1) Each carrier offering a health benefit plan shall submit to  
12 the Director of the Department of Consumer and Business Services on or  
13 before April 1 of each year a report that contains:

14 “(a) The following information for the preceding year that is derived from  
15 the exhibit of premiums, enrollment and utilization included in the carrier’s  
16 annual report:

17 “(A) The total number of members;

18 “(B) The total amount of premiums;

19 “(C) The total amount of costs for claims;

20 “(D) The medical loss ratio;

21 “(E) The average amount of premiums per member per month; and

22 “(F) The percentage change in the average premium per member per  
23 month, measured from the previous year.

24 “(b) The following aggregate financial information for the preceding year  
25 that is derived from the carrier’s annual report:

26 “(A) The total amount of general administrative expenses, including  
27 identification of the five largest nonmedical administrative expenses [*and the*  
28 *assessment against the carrier for the Oregon Reinsurance Program*];

29 “(B) The total amount of the surplus maintained;

30 “(C) The total amount of the reserves maintained for unpaid claims;



1 “(D) The total net underwriting gain or loss; and

2 “(E) The carrier’s net income after taxes.

3 “(2) A carrier shall electronically submit the information described in  
4 subsection (1) of this section in a format and according to instructions pre-  
5 scribed by the Department of Consumer and Business Services by rule.

6 “(3) The department shall evaluate the reporting requirements under  
7 subsection (1)(a) of this section by the following market segments:

8 “(a) Individual health benefit plans;

9 “(b) Health benefit plans for small employers;

10 “(c) Health benefit plans for employers described in ORS 743.733; and

11 “(d) Health benefit plans for employers with more than 50 employees.

12 “(4) The department shall make the information reported under this sec-  
13 tion available to the public through a searchable public website on the  
14 Internet.”.

15 In line 8, delete “36” and insert “39”.

16 In line 34, delete “37” and insert “40”.

17 In line 40, delete “38” and insert “41” and delete “and 4” and insert “, 4  
18 and 4a”.

19 In line 41, after “to” insert “20, 22 to” and delete “36” and insert “39”.

20 In line 43, after “35” insert “to 38”.

21 After line 43, insert:

22 “(3) The amendments to ORS 743.748 by section 21 of this 2013 Act become  
23 operative April 2, 2014.”.

24 In line 44, delete “39” and insert “42”.

25 On page 47, line 1, delete “and 4” and insert “, 4 and 4a”.

26 In line 7, delete “40” and insert “43”.

27