77th OREGON LEGISLATIVE ASSEMBLY – 2014 Regular Session **MEASURE: HB 4104 A**
STAFF MEASURE SUMMARY **CARRIER: Rep. Holvey**
House Committee on Business & Labor

REVENUE: No revenue impact
FISCAL: No fiscal impact

Action:		Do Pass as Amended and Be Printed Engrossed
Vote:		7 - 0 - 4
	Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Witt, Doherty
	Nays:	0
	Exc.:	Freeman, Thatcher, Thompson, Weidner
Prepared By:		Jan Nordlund, Administrator
Meeting Dates:		2/5, 2/12

WHAT THE MEASURE DOES: Deletes limiting interim medical benefits to certain types of services. Requires health benefit plan to expedite pre-authorizations and guarantee payment of expenses for medical services provided prior to the acceptance or denial of the claim according to the terms, conditions and benefits of the plan. Requires workers' compensation insurer or self-insured employer to pay any balance after the health benefit plan makes payment, subject to terms and conditions of workers' compensation statutes. Requires, if claim is accepted, the workers' compensation insurer or self-insured employer to pay for medical services provided, including reimbursement to the injured worker or health benefit plan, subject to terms and conditions of workers' compensation statutes. Specifies that workers' compensation insurer or self-employed insurer may recover expenses for interim medical benefits only on denied claims. Requires, if claim is denied, health benefit plan to pay for medical services provided according to the terms, conditions and benefits of the plan. Specifies, in the state insurance code, that a health benefit plan may not exclude, and shall expedite pre-authorizations required for, work-related injuries or occupational diseases when the worker is waiting for a workers' compensation claim to be accepted or denied. Requires a health benefit plan to guarantee payment of pre-authorized medical services according to the terms, conditions and benefits of the plan if the claim is found not to be a compensable workers' compensation claim.

ISSUES DISCUSSED:
- Interim medical benefits provided in 2001 (Senate Bill 485)
- Reluctance of medical providers to treat prior to claim determination
- Rulemaking to define "expedite preauthorization"
- Exclusions in health benefit plans for work-related injuries

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: A workers' compensation claim must be accepted or denied within 60 days after the employer has notice or knowledge of the claim. During the time it takes to make the determination, the worker is eligible to receive the following interim medical benefits: diagnostics, pain alleviation, and services to stabilize the worker's condition and prevent further disability. Currently, the interim medical benefits are paid as follows:
- If the claim is accepted, the workers' compensation insurer or self-insured employer pays for the medical services subject to the limitations and conditions of the workers' compensation statutes.
- If the claim is denied, the workers' health benefit plan is the first payer of the expenses according to the terms, conditions and benefits of the plan, and the workers' compensation insurer or self-insured employer pays any balance remaining for services subject to the limitations and conditions of the workers' compensation statutes.
- However, if a claim is denied within 14 days, the workers' compensation insurer or self-insured employer does not make any payments.

Prior to 2001, there was no guarantee the medical provider would be paid for services provided before acceptance or denial of the claim. Without guaranteed payment, medical providers were reluctant to provide services. Passage of

Senate Bill 485 in 2001 was intended to provide assurance of full payment to the medical provider. The worker could receive medical treatment while responsibility for making payment would be determined after the claim was either denied or accepted. Currently, some injured workers believe they do not receive treatment in a timely manner or that treatment limited during the interim period is not adequate. Some workers want to receive treatment to restore their condition, as opposed to just stabilizing their condition, but such treatment can fall outside of the payable interim medical benefits.

This summary has not been adopted or officially endorsed by action of the committee.
Committee Services Form – 2014 Regular Session