

# House Bill 4050

Sponsored by Representative HARKER, Senator STEINER HAYWARD; Representatives BUCKLEY, CLEM, FREEMAN, GOMBERG, GORSEK, GREENLICK, HANNA, HOYLE, KENNEMER, KENY-GUYER, KOMP, KOTEK, LIVELY, NATHANSON, THOMPSON, WEIDNER, Senators BATES, BEYER, KRUSE, MONNES ANDERSON, ROBLAN (Pre-session filed.)

## 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**.

Specifies that insurer may not issue or deliver policy against risk of economic loss assumed under less than fully insured employee health benefit plan to employer group with fewer than 51 covered lives.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to insurance against the risk of economic loss assumed under a less than fully insured  
3 employee health benefit plan; amending ORS 742.065; and declaring an emergency.

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

5 **SECTION 1.** ORS 742.065 is amended to read:

6 742.065. (1) Insurance against the risk of economic loss assumed under a less than fully insured  
7 employee health benefit plan, whether issued or delivered as health or casualty insurance, is subject  
8 to the following:

9 (a) The policy must be issued to and insure the employer, the trustee or other sponsor of the  
10 plan, or the plan itself, but not the employees, members or participants;

11 (b) *[Payment by]* The insurer *[must be made to]* **shall pay** the employer, *[to]* the trustee or other  
12 sponsor of the plan, or *[to]* the plan itself, *[but]* not *[to]* the employees, members, participants or  
13 health care providers;

14 (c) If the policy establishes an aggregate attaching point or retention, the point or retention  
15 must not be less than 120 percent of the expected claims; and

16 (d) If the policy establishes an attaching point or retention applicable to each individual covered  
17 by the plan, the point or retention must not be less than \$10,000.

18 (2) Insurance against the risk of economic loss assumed under a less than fully insured employee  
19 health benefit plan, whether issued or delivered as health or casualty insurance, is subject to this  
20 section and to ORS 743.523, 743.524 and 743.526, but is *[otherwise]* not subject to **other** provisions  
21 of ORS chapters 743 and 743A.

22 (3) An insurer *[shall]* **may** not issue or deliver to *[a small employer, as defined in ORS*  
23 *743.730,]* **an employer group with fewer than 51 covered lives** a policy of insurance against the  
24 risk of economic loss assumed under a less than fully insured employee health benefit plan.

25 **SECTION 2. This 2014 Act being necessary for the immediate preservation of the public**  
26 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**  
27 **on its passage.**

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**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.