

B-Engrossed
House Bill 4104

Ordered by the Senate February 26
Including House Amendments dated February 13 and Senate Amendments
dated February 26

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Consumer Protection and Government Efficiency)

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.

Prohibits health benefit plan that provides coverage for injured worker from excluding, and requires plan to expedite, preauthorizations for medical services. Guarantees payment, to extent of terms, conditions and benefits of plan, for medical services provided if worker has filed workers' compensation claim prior to acceptance or denial of workers' compensation claim.

A BILL FOR AN ACT

1
2 Relating to payment of medical expenses for injured workers; creating new provisions; and amending
3 ORS 656.247.

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

5 **SECTION 1.** ORS 656.247 is amended to read:

6 656.247. (1) Except for medical services provided to workers subject to ORS 656.245 (4)(b)(B),
7 payment for medical services provided to a subject worker in response to an initial claim for a
8 work-related injury or occupational disease from the date of the employer's notice or knowledge of
9 the claim until the date the claim is accepted or denied shall be payable in accordance with sub-
10 section (4) of this section. [*if the expenses are for:*]

11 [*(a) Diagnostic services required to identify appropriate treatment or to prevent disability;*]

12 [*(b) Medication required to alleviate pain; or*]

13 [*(c) Services required to stabilize the worker's claimed condition and to prevent further*
14 *disability.*]

15 (2) Notwithstanding subsection (1) of this section, no payment shall be due from the insurer or
16 self-insured employer if the insurer or self-insured employer denies the claim within 14 days of the
17 date of the employer's notice or knowledge of the claim.

18 (3)(a) Disputes about whether the medical services provided to treat the claimed work-related
19 injury or occupational disease under subsection (1) of this section are excessive, inappropriate or
20 ineffectual or are consistent with the criteria in subsection (1) of this section shall be resolved by
21 the Director of the Department of Consumer and Business Services. The director may order a med-
22 ical review by a physician or panel of physicians pursuant to ORS 656.327 (3) to aid in the review
23 of such services. If a party is dissatisfied with the order of the director, the dissatisfied party may
24 request review under ORS 656.704 within 60 days of the date of the director's order. The order of
25 the director may be modified only if it is not supported by substantial evidence in the record or if
26 it reflects an error of law.

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 (b) Disputes about the amount of the fee or nonpayment of bills for medical treatment and ser-
2 vices pursuant to this section shall be resolved pursuant to ORS 656.248.

3 (c) Except as provided in subsection (2) of this section, when a claim is settled pursuant to ORS
4 656.289 (4), all medical services payable under subsection (1) of this section that are provided on or
5 before the date of denial shall be paid in accordance with subsection (4) of this section. The insurer
6 or self-insured employer shall notify each affected service provider of the results of the settlement.

7 *[(4)(a) If the claim in which medical services are provided under subsection (1) of this section is*
8 *accepted, the insurer or self-insured employer shall make payment for such medical services subject to*
9 *the limitations and conditions of this chapter.]*

10 *[(b)]* **(4)(a)** If the claim in which medical services are provided under subsection (1) of this sec-
11 tion *[is denied]* **has not been accepted or denied** and a health benefit plan provides benefits to the
12 worker, the health benefit plan shall *[be the first payer of the expenses]* **expedite preauthorizations**
13 **and guarantee payment of expenses** for medical services **provided prior to acceptance or denial**
14 **of the claim** according to the terms, conditions and benefits of the plan. *[Except as provided by*
15 *subsection (2) of this section, after payment by the health benefit plan, the workers' compensation*
16 *insurer or self-insured employer shall pay any balance remaining for such services subject to the limi-*
17 *tations and conditions of this chapter.]*

18 **(b) If the claim for which medical services are provided under subsection (1) of this sec-**
19 **tion is accepted, after the claim has been accepted the insurer or self-insured employer shall**
20 **pay for the medical services provided for accepted conditions, including reimbursements for**
21 **medical expenses, copayments and deductibles paid by the injured worker or the health ben-**
22 **efit plan. Payments made under this subsection are subject to the fee schedules, limitations**
23 **and conditions of this chapter.**

24 **(c) If the claim for which medical services are provided under subsection (1) of this sec-**
25 **tion is denied and a health benefit plan provides benefits to the worker, after the claim is**
26 **denied the health benefit plan shall pay for medical services provided according to the terms,**
27 **conditions and benefits of the plan.**

28 *[(c)]* **(d)** As used in this subsection, "health benefit plan" has the meaning given that term in
29 ORS 743.730 **and also means self-insured benefit plans and health benefit plans offered by the**
30 **Oregon Educators Benefit Board and the Public Employees' Benefit Board.**

31 *[(5) An insurer or self-insured employer may recover expenses for medical services paid under*
32 *subsection (1) of this section as an overpayment as provided by ORS 656.268 (14).]*

33 **SECTION 2. (1) A health benefit plan may not exclude, and shall expedite preauthori-**
34 **zations required for, work-related injuries or occupational diseases if:**

35 **(a) The injured worker is covered by workers' compensation insurance and the health**
36 **benefit plan; and**

37 **(b) The injured worker has submitted a workers' compensation claim for the work-**
38 **related injury or occupational disease that has not been accepted or denied by the workers'**
39 **compensation carrier.**

40 **(2) A health benefit plan subject to this section shall guarantee payment for preauthor-**
41 **ized medical services to the provider of those medical services according to the terms, con-**
42 **ditions and benefits of the plan if the claim is found not to be a compensable workers'**
43 **compensation claim.**

44 **(3) As used in this section, "health benefit plan" has the meaning given that term in ORS**
45 **743.730 and also means self-insured benefit plans and health benefit plans provided by the**

1 **Oregon Educators Benefit Board and the Public Employees' Benefit Board.**

2 **(4) The provisions of ORS 743A.001 do not apply to this section.**

3 **SECTION 3. Section 2 of this 2014 Act is added to and made a part of the Insurance Code.**

4 **SECTION 4. Section 2 of this 2014 Act applies to health benefit plan contracts entered**
5 **into or renewed on or after the effective date of this 2014 Act.**

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