

# Senate Bill 1579

Sponsored by Senator BATES (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**.

Requires certain health plans with prescription drug benefits to cover refills of prescription drugs in accordance with plan for synchronizing refill dates of patient's prescription drugs.  
Applies to coverage of prescriptions and refills requested on and after January 1, 2015.  
Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to health insurance; creating new provisions; amending ORS 750.055 and 750.333; and de-  
3 claring an emergency.

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

5 **SECTION 1. Section 2 of this 2014 Act is added to and made a part of the Insurance Code.**

6 **SECTION 2. (1) As used in this section:**

7 (a) **"Refill restrictions" means any health plan term or condition that limits how fre-**  
8 **quently a prescription may be refilled or that imposes a minimum or a maximum number**  
9 **of doses that may be refilled at any one time.**

10 (b) **"Synchronization plan" means a plan developed by a patient with chronic health con-**  
11 **ditions, the patient's health practitioner and a pharmacist to align the refill dates for all of**  
12 **the patient's prescription drugs so that all of the drugs may be refilled on the same date.**

13 (2) **A health benefit plan, as defined in ORS 743.730, and a self-insured health plan, offered**  
14 **by the Public Employees' Benefit Board or the Oregon Educators Benefit Board, that pro-**  
15 **vides coverage of prescription drugs shall reimburse the cost of a refill of any covered drug**  
16 **prescribed in accordance with a synchronization plan even if the refill does not comply with**  
17 **the refill restrictions specified in the health benefit plan or self-insured health plan.**

18 **SECTION 3. ORS 750.055 is amended to read:**

19 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
20 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

21 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
22 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
23 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
24 731.737, 731.750, 731.752, 731.804, 731.844 to 731.992, 731.870 and 743.061.

25 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
26 including ORS 732.582.

27 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695  
28 to 733.780.

29 (d) ORS chapter 734.

30 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to

**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.

1 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,  
 2 743.495, 743.498, 743.499, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.550 to  
 3 743.552, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.764, 743.804, 743.807, 743.808, 743.814 to  
 4 743.839, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864,  
 5 743.894, 743.911, 743.912, 743.913, 743.917, 743A.010, 743A.012, 743A.020, 743A.034, 743A.036,  
 6 743A.048, 743A.058, 743A.062, 743A.064, 743A.065, 743A.066, 743A.068, 743A.070, 743A.080, 743A.082,  
 7 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105, 743A.110, 743A.140, 743A.141, 743A.144,  
 8 743A.148, 743A.150, 743A.160, 743A.164, 743A.168, 743A.170, 743A.175, 743A.184, 743A.185, 743A.188,  
 9 743A.190, 743A.192 and 743A.250 and section 2, chapter 771, Oregon Laws 2013, **and section 2 of**  
 10 **this 2014 Act.**

11 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

12 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 13 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

14 (h) ORS 743A.024, except in the case of group practice health maintenance organizations that  
 15 are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is  
 16 referred by a physician associated with a group practice health maintenance organization.

17 (i) ORS 735.600 to 735.650.

18 (j) ORS 743.680 to 743.689.

19 (k) ORS 744.700 to 744.740.

20 (L) ORS 743.730 to 743.773.

21 (m) ORS 731.485, except in the case of a group practice health maintenance organization that  
 22 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns  
 23 and operates an in-house drug outlet.

24 (2) For the purposes of this section, health care service contractors shall be deemed insurers.

25 (3) Any for-profit health care service contractor organized under the laws of any other state that  
 26 is not governed by the insurance laws of the other state is subject to all requirements of ORS  
 27 chapter 732.

28 (4) The Director of the Department of Consumer and Business Services may, after notice and  
 29 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
 30 and 750.045 that are deemed necessary for the proper administration of these provisions.

31 **SECTION 4.** ORS 750.055, as amended by section 33, chapter 698, Oregon Laws 2013, is  
 32 amended to read:

33 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
 34 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

35 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
 36 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
 37 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
 38 731.737, 731.750, 731.752, 731.804, 731.844 to 731.992, 731.870 and 743.061.

39 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
 40 including ORS 732.582.

41 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695  
 42 to 733.780.

43 (d) ORS chapter 734.

44 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
 45 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,

1 743.495, 743.498, 743.499, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.550, 743.552,  
 2 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.764, 743.804, 743.807, 743.808, 743.814 to 743.839,  
 3 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.894,  
 4 743.911, 743.912, 743.913, 743.917, 743A.010, 743A.012, 743A.020, 743A.034, 743A.036, 743A.048,  
 5 743A.058, 743A.062, 743A.064, 743A.065, 743A.066, 743A.068, 743A.070, 743A.080, 743A.082, 743A.084,  
 6 743A.088, 743A.090, 743A.100, 743A.104, 743A.105, 743A.110, 743A.140, 743A.141, 743A.144, 743A.148,  
 7 743A.150, 743A.160, 743A.164, 743A.168, 743A.170, 743A.175, 743A.184, 743A.185, 743A.188, 743A.190,  
 8 743A.192 and 743A.250 and section 2, chapter 771, Oregon Laws 2013, **and section 2 of this 2014**  
 9 **Act.**

10 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

11 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 12 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

13 (h) ORS 743A.024, except in the case of group practice health maintenance organizations that  
 14 are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is  
 15 referred by a physician associated with a group practice health maintenance organization.

16 (i) ORS 743.680 to 743.689.

17 (j) ORS 744.700 to 744.740.

18 (k) ORS 743.730 to 743.773.

19 (L) ORS 731.485, except in the case of a group practice health maintenance organization that is  
 20 federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and  
 21 operates an in-house drug outlet.

22 (2) For the purposes of this section, health care service contractors shall be deemed insurers.

23 (3) Any for-profit health care service contractor organized under the laws of any other state that  
 24 is not governed by the insurance laws of the other state is subject to all requirements of ORS  
 25 chapter 732.

26 (4) The Director of the Department of Consumer and Business Services may, after notice and  
 27 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
 28 and 750.045 that are deemed necessary for the proper administration of these provisions.

29 **SECTION 5.** ORS 750.055, as amended by section 33, chapter 698, Oregon Laws 2013, and sec-  
 30 tion 21, chapter 771, Oregon Laws 2013, is amended to read:

31 750.055. (1) The following provisions of the Insurance Code apply to health care service con-  
 32 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

33 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
 34 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
 35 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
 36 731.737, 731.750, 731.752, 731.804, 731.844 to 731.992, 731.870 and 743.061.

37 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
 38 including ORS 732.582.

39 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695  
 40 to 733.780.

41 (d) ORS chapter 734.

42 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
 43 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.472, 743.492,  
 44 743.495, 743.498, 743.499, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.550, 743.552,  
 45 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.764, 743.804, 743.807, 743.808, 743.814 to 743.839,

1 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.894,  
 2 743.911, 743.912, 743.913, 743.917, 743A.010, 743A.012, 743A.020, 743A.034, 743A.036, 743A.048,  
 3 743A.058, 743A.062, 743A.064, 743A.065, 743A.066, 743A.068, 743A.070, 743A.080, 743A.082, 743A.084,  
 4 743A.088, 743A.090, 743A.100, 743A.104, 743A.105, 743A.110, 743A.140, 743A.141, 743A.144, 743A.148,  
 5 743A.150, 743A.160, 743A.164, 743A.168, 743A.170, 743A.175, 743A.184, 743A.185, 743A.188, 743A.190,  
 6 743A.192 and 743A.250 **and section 2 of this 2014 Act.**

7 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

8 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 9 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

10 (h) ORS 743A.024, except in the case of group practice health maintenance organizations that  
 11 are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is  
 12 referred by a physician associated with a group practice health maintenance organization.

13 (i) ORS 743.680 to 743.689.

14 (j) ORS 744.700 to 744.740.

15 (k) ORS 743.730 to 743.773.

16 (L) ORS 731.485, except in the case of a group practice health maintenance organization that is  
 17 federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and  
 18 operates an in-house drug outlet.

19 (2) For the purposes of this section, health care service contractors shall be deemed insurers.

20 (3) Any for-profit health care service contractor organized under the laws of any other state that  
 21 is not governed by the insurance laws of the other state is subject to all requirements of ORS  
 22 chapter 732.

23 (4) The Director of the Department of Consumer and Business Services may, after notice and  
 24 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
 25 and 750.045 that are deemed necessary for the proper administration of these provisions.

26 **SECTION 6.** ORS 750.333 is amended to read:

27 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
 28 tiple employer welfare arrangement:

29 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
 30 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
 31 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992 and 743.061.

32 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

33 (c) ORS chapter 734.

34 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.

35 (e) ORS 743.028, 743.053, 743.499, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560,  
 36 743.562, 743.600, 743.601, 743.602, 743.610, 743.730 to 743.773 (except 743.766 to 743.773), 743.801,  
 37 743.804, 743.807, 743.808, 743.814 to 743.839, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,  
 38 743.859, 743.861, 743.862, 743.863, 743.864, 743.894, 743.912, 743.917, 743A.012, 743A.020, 743A.034,  
 39 743A.052, 743A.064, 743A.065, 743A.080, 743A.082, 743A.100, 743A.104, 743A.110, 743A.144, 743A.150,  
 40 743A.170, 743A.175, 743A.184, 743A.192 and 743A.250 **and section 2 of this 2014 Act.**

41 (f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,  
 42 743A.058, 743A.066, 743A.068, 743A.070, 743A.084, 743A.088, 743A.090, 743A.105, 743A.140, 743A.141,  
 43 743A.148, 743A.168, 743A.180, 743A.185, 743A.188 and 743A.190. Multiple employer welfare arrange-  
 44 ments to which ORS 743.730 to 743.773 apply are subject to the sections referred to in this para-  
 45 graph only as provided in ORS 743.730 to 743.773.

1 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
2 ance consultants, and ORS 744.700 to 744.740.

3 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

4 (i) ORS 731.592 and 731.594.

5 (j) ORS 731.870.

6 (2) For the purposes of this section:

7 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

8 (b) References to certificates of authority shall be considered references to certificates of mul-  
9 tiple employer welfare arrangement.

10 (c) Contributions shall be considered premiums.

11 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
12 transaction of health insurance.

13 **SECTION 7. Section 2 of this 2014 Act and the amendments to ORS 750.055 and 750.333**  
14 **by sections 3 to 6 of this 2014 Act apply to health benefit plan coverage and self-insured**  
15 **health plan coverage for prescriptions and prescription refills requested on and after January**  
16 **1, 2015.**

17 **SECTION 8. This 2014 Act being necessary for the immediate preservation of the public**  
18 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**  
19 **on its passage.**

20 \_\_\_\_\_