

**PROPOSED AMENDMENTS TO
HOUSE BILL 4154**

1 On page 1 of the printed bill, line 3, delete “and 741.025” and insert “,
2 741.025 and 741.220”.

3 On page 3, after line 30, insert:

4 **“SECTION 5.** ORS 741.220 is amended to read:

5 “741.220. (1) The Oregon Health Insurance Exchange Corporation shall
6 keep an accurate accounting of the operation and all activities, receipts and
7 expenditures of the corporation and the health insurance exchange.

8 “(2) Beginning after the first [12] **six** months of the operation of the ex-
9 change and every 12 months thereafter, the Secretary of State shall conduct
10 a financial audit of the corporation and the accounts established under ORS
11 741.101 pursuant to ORS 297.210, which shall include but is not limited to:

12 “(a) A review of the sources and uses of the moneys in the accounts;

13 “(b) A review of charges and fees imposed and collected pursuant to ORS
14 741.105; and

15 “(c) A review of premiums collected and remitted.

16 “(3) Beginning after the first [24] **12** months of the operation of the ex-
17 change and every [two years] **12 months** thereafter, the Secretary of State
18 shall conduct a performance audit of the corporation and the exchange.

19 “(4) The corporation board of directors, the executive director of the
20 corporation and employees of the corporation shall cooperate with the Sec-
21 retary of State in the audits and reviews conducted under subsections (2) and
22 (3) of this section.

1 “(5) The audits shall be conducted using generally accepted accounting
2 principles and any financial integrity requirements of federal authorities.

3 “(6) The cost of the audits required by subsections (2) and (3) of this
4 section shall be paid by the corporation.

5 “(7) The Secretary of State shall issue a report to the Governor, the
6 President of the Senate, the Speaker of the House of Representatives, the
7 Oregon Health Authority, the Oregon Health Policy Board, the Department
8 of Consumer and Business Services and appropriate federal authorities on
9 the results of each audit conducted pursuant to this section, including any
10 recommendations for corrective actions. The report shall be available for
11 public inspection, in accordance with the Secretary of State’s established
12 rules and procedures governing public disclosure of audit documents.

13 “(8) To the extent the audit requirements under this section are similar
14 to any audit requirements imposed on the corporation by federal authorities,
15 the Secretary of State and the corporation shall make reasonable efforts to
16 coordinate with the federal authorities to promote efficiency and the best
17 use of resources in the timing and provision of information.

18 “(9) Not later than the 90th day after the Secretary of State completes
19 and delivers an audit report issued under subsection (7) of this section, the
20 corporation shall notify the Secretary of State in writing of the corrective
21 actions taken or to be taken, if any, in response to any recommendations in
22 the report. The Secretary of State may extend the 90-day period for good
23 cause.”.

24 In line 31, delete “5.” and insert “6.”.

25 On page 6, delete “6.” and insert “7.”.

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