DEPARTMENT OF CONSUMER & BUSINESS SERVICES

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# HB 2466 Talking Points

**Introduction:**

- HB 2466 is the third Affordable Care Act implementation bill that DCBS has brought to this committee.
- Unlike Senate Bill 89 in 2011 and HB 2240 in 2013, HB 2466 does not make sweeping changes to the Insurance Code.
- HB 2466 addresses issues that were missed in previous bills, makes changes to other provisions based on new regulations and interpretations, and makes other changes consistent with federal and state health insurance reform efforts.
- Most of the changes in the bill you have before you are technical.
- Also considering amendments, some of which involve more substantive policy issues.

**HB 2466 further aligns the Insurance Code with the ACA as follows:**

- Prohibits group health benefit plans from varying coverage or cost for late enrollees based on health status.
- Eliminates the existing 90-day waiting period for all individual health benefit plans.
- Clarifies the definition of "small employer" to align it with the ACA's definition.
- Corrects a citation to federal law to clarify that small group coverage is subject to the requirements of the entire essential health benefits package.
- Clarifies that grandfathered individual health benefit plans are not precluded from imposing annual dollar limits.

**HB 2466 also makes changes to state law not required by the ACA as follows:**

- Clarifies that coordination of benefits for both large and small group health insurance plans.
- Clarifying that non-grandfathered health benefit plans may collect health information after enrollment for medical management and wellness program purposes only.

- Ensuring that a consumer's failure to provide timely, complete, or accurate health information after enrollment in a non-grandfathered health benefit plan does not result in delayed or denied enrollment.
- Clarifies the definition of "transact insurance" to ensure that Oregon retains regulatory authority over multistate health benefit plans, not the federal government.
- Clarifies that grandfathered individual health benefit plans may underwrite based only on information received in connection with the Oregon Standard Health Statement.
- Requiring group health insurers to print policies in 12-point type consistent with the requirements for individual health insurance.

**Possible amendments:**

- Considering a number of amendments to refine existing language and to address additional health insurance reform issues.
- Some will be technical in nature, while others are substantive policy issues.
- We intend to continue working with stakeholders as we consider these issues.
- Possible amendments:
    - Extend transitional relief to employers with 51 to 100 employees, meaning that the health benefit plans provided to employers who want to keep their existing coverage would not be subject to small group regulation until transitional relief ends on October 1, 2017.
        - Ensures that all small groups (1 to 100) are treated the same.
        - Also looking at the issue of how grandfathered 51 to 100 groups should be treated after January 1, 2016.
    - More accurate alignment with the ACA:
        - Modify proposed language in the bill defining "small employer" and "eligible employee" and language regarding offer of association health benefit plans.
        - Amend the hearing aid mandate to ensure it is not inconsistent with the ACA's prohibition against discrimination based on age and to address the dollar limit included in the mandate.

        - Clarify that catastrophic plans must be offered both in and out of the exchange and cannot be limited for sale through the exchange.
        - Remove proposed 90-day individual (non-pre-ex) exclusionary period for nongrandfathered individual plans and elimination of creditable coverage provisions.
        - Clarify that while health benefit plans must sell exchange plans outside of the exchange, they are not required to actively market them outside of the exchange.
    - Modify the state continuation statutes to create a bridge to individual health benefit plan coverage, allowing an individual to avoid several months of more costly state continuation or COBRA coverage.
    - Repeal obsolete statute (ORS 743.775) that requires reporting on a bill that sunset in 2008.