Department of Consumer and Business Services
350 Winter Street NE, Room 200
P.O. Box 14480
Salem, Oregon 97309-0405
(503) 947-7872
www.cbs.state.or.us

House Bill 2466-A
-A2 and -A3 Amendment Summary

-A2 Amendments:

1. Revise the new section 2 related to transitional large group health benefit plans:
   a. Revised terminology for simplicity to “transitional health benefit plan.” If there is a need to distinguish these plans from the individual and small group transitional plans, the division will do that via rulemaking.
   b. Revised language referring to what we anticipate the federal guidance on transitional plans will say; i.e., that the listed provisions will not be enforced with respect to transitional plans.
   c. Qualified the exemption from rate review for these plans to allow the director to subject the plans to rate review by rule so that if DCBS needs to subject these plans to rate review we have the authority to do so.
   d. Added an exemption from ORS 743.736 - small employers must be offered all health benefit plans.
   e. Added a statement that a plan would not be considered discontinued, excluding it from guaranteed renewal, if the plan is discontinued in accordance with subsection (3) of section 2. This language mirrors existing language in the statutes that applies to small group discontinuances. (ORS 743.737(3)(f)).
   f. Established a sunset this section on January 2, 2020, although the last date any transitional plan (individual, small group or large group) can be renewed is 10-1-16 and all end not later than 9-30-17. The 2020 date simply allows time to wind up any outstanding matters such as final claim payments.
   g. In order to trigger a review of the expiration date for the transitional plans (just in case the federal government extends them and we must comply), DCBS added a provision requiring the department to report back to the appropriate legislative committee prior to the 2019 legislative session bill introduction deadlines.
2. Restore the term “subscriber contract” in the definition of “health benefit plan” as it relates to a health care service contractor. It is the subscriber contract of the HCSC that is the plan.
3. Align the definition of “small employer” in section 8 to with the definition of that term in section 9.
4. Add a clarification that grandfathered plans don’t have to comply with certain minimum benefit requirements.
5. Create changes, throughout the amendment, to the “market,” “actively market” and “offering and renewing” terms to simplify the statutory language.

6. Delete the changes originally proposed to the reporting and data collecting statutes. There are so many issues around reporting and data calls, and some new sources of information coming on line that DCBS believes it would be better to utilize the upcoming interim to really look at our needs, such as protocols for asking for information and what is essential in these areas, and address it in a comprehensive manner rather than a "Band-Aid fix."
7. Federal regulations require guaranteed availability in all groups except network plans. The changes to ORS 743.754 clarify when an insurer may not offer a plan. The language mirrors the small group language.
8. Make changes to the hearing aid mandate to remove the age bracket which violates the ACA.
9. Adjust the references to reflect changes to some of the applicability and operative dates.
10. Add an applicability date for ORS 743.106 as amended to apply to plans issued on or after January 1, 2017. The department has already received the plan filings for 2016. With the applicability date, carriers do not have to refile or reform their plans at this point in the cycle.

-A3 Amendments:

Direct DCBS to adopt by rule the method for determining:

1. The method for determining an eligible employee; and
2. The method for counting employees to determine whether an employer meets the criteria to be considered a small employer.

The department must be consistent with federal requirements for determining a small employer under the SHOP (Small Business Health Options Program). DCBS understands that the intent is to have the criteria the same for small employers in and out of SHOP.