

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Senate Health Care

REVENUE: No revenue impact (A version)**FISCAL: No fiscal impact (A version)****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Zena Rockowitz, Administrator**Meeting Dates:** 6/1

WHAT THE MEASURE DOES: Aligns Oregon statutes with the Affordable Care Act (ACA) for compliance relating to health benefit plans. Specifies that coordination of benefit requirements apply to all group plans. Adds provisions allowing exemptions from some requirements of the ACA for transitional large employer health benefit plans and transitional grandfathered large employer health benefit plans. Allows director, by rule, to extend operative provisions related to transitional large employer health benefit plans. Clarifies requirements and applicability of requirements to actively market a group health benefit plan. Allows the director of Department of Consumer and Business Services (DCBS) to specify criteria for small employer for purposes of determining eligibility for small or large employer health benefit plan. Makes the following technical changes necessary to conform with ACA: catastrophic plans must be offered in and out of exchange; removes references to credible coverage; changes language relating to waiting periods and exclusionary periods to conform with federal requirements; clarifies that preexisting conditions can still be imposed on grandfathered individual or transitional health benefit plan, but not group plans and removes a reporting provision. Declares emergency, effective on passage.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:**

-A3 Amendment: Directs DCBS to adopt rules to determine if employee is an eligible employee and an employer is small employer. Requires method to be consistent with federal requirements for Small Business Health Options Program.

-A6 Amendment: Broadens definition of transitional large employer benefit plan to transitional health benefit plan. Allows transitional health benefit plans to be renewable on and after 2016 and allows director to subject plans to rate review by rule. Requires report to Legislative Assembly in 2018. Provides 2020 sunset date. Allows transitional health benefit plans to not be excluded from renewal, if plan is discontinued if it meets certain requirements. Requires small employers to be offered all health benefit plans. Restores subscriber contract in definition of health benefit plan. Clarifies that grandfathered health benefit plans are excluded from specific minimum benefit requirements. Restores and modifies language related to data and reporting. Clarifies when insurers may not offer plans. Modifies operative dates. Restores eligibility requirements for coverage of hearing aids.

-A7 Amendment: Requires DCBS to exclude existing transitional health plans. Modifies definition of small employer to permit deviation if the federal government develops regulations. Restores subscriber contract in definition of health benefit plan. Clarifies that grandfathered health benefit plans are excluded from specific minimum benefit requirements. Restores and modifies language related to data and reporting. Clarifies when insurers may not offer plans. Modifies operative dates. Restores eligibility requirements for coverage of hearing aids.

6/1/2015 11:17:00 AM *

This summary has not been adopted or officially endorsed by action of the committee.

Committee Services Form – 2015 Regular Session

BACKGROUND: In 2013, House Bill 2240 was enacted which amended Oregon health insurance laws to align with the Affordable Care Act (ACA), and added market reforms and federal requirements to the Insurance Code. Additionally, the bill made several technical and clarifying changes. Legislation is necessary to ensure that Oregon is compliant with the ACA through aligning state laws with federal laws, implementation of new federal guidelines and resolving implementation issues that may have arisen.