

**Fiscal:** No Fiscal Impact

**Revenue:** No Revenue Impact

**Action Date:** 04/17/15

**Action:** Do Pass As Amended And Be Printed Engrossed.

**Meeting Dates:** 02/02, 04/17

**Vote:**

Yeas: 8 - Buehler, Greenlick, Hayden, Kennemer, Keny-Guyer, Lively, Nosse, Weidner

Exc: 1 - Clem

**Prepared By:** Sandy Thiele-Cirka, Committee Administrator

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**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:**

- Provisions of the bill
- Continues to align Oregon Insurance Code with ACA
- Clarifies coordination of benefits for both large and small group health insurance
- Amendment review

**EFFECT OF COMMITTEE AMENDMENT:**

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 DCBS to specify criteria for small employer for purposes of determining eligibility for small or large employer health benefit plan. Makes other technical changes necessary to conform to federal reforms: 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.

**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.