

House Bill 2554

Sponsored by Representative GREENLICK (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Department of Consumer and Business Services to determine official rate of medical care inflation to be used by insurers in determining premium rates.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to inflation in costs of medical care; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2015 Act is added to and made a part of the Insurance Code.**

5 **SECTION 2. (1) The Department of Consumer and Business Services shall establish by**
6 **rule a methodology for projecting anticipated changes in medical costs over the course of a**
7 **calendar year. Not later than March 31 of each year, the department shall apply the meth-**
8 **odology to determine the official rate of medical care inflation for the next calendar year.**
9 **The department shall establish the official rate of medical care inflation using the**
10 **department's actuaries and under the guidance of an advisory committee of actuaries ap-**
11 **pointed by the department and other experts that the department deems necessary.**

12 **(2) An insurer must use the official rate of medical care inflation established under sub-**
13 **section (1) of this section in calculating the insurer's premium rates in subsequent rate**
14 **filings under ORS 743.018, unless the insurer can present to the department compelling evi-**
15 **dence of special factors that would make the application of the official rate unjust, including**
16 **but not limited to:**

17 **(a) The unique characteristics of the policyholder or certificate holders of a health ben-**
18 **efit plan; or**

19 **(b) Utilization controls used in a health benefit plan that would cause the rate of medical**
20 **inflation for that plan to vary from the official rate.**

21 **(3) The department shall use a public process to establish the official rate of medical care**
22 **inflation. The public process and all documents used, produced or considered in the process**
23 **are subject to public records and open meetings laws under ORS 192.410 to 192.505 and 192.610**
24 **to 192.690.**

25 **(4) Members of the advisory committee of actuaries and other experts who are not state**
26 **employees are entitled to compensation and expenses incurred by them in the performance**
27 **of their official duties in the manner and amounts provided for in ORS 292.495. Claims for**
28 **compensation and expenses shall be paid out of the Consumer and Business Services Fund.**

29 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
30 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
31 **on its passage.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

