

HB 2391-1 Section-by-Section Summary

Section	ORS	Summary
Health Insurance Premium and Managed Care Assessment		
1	NEW	Adds sections 2-9 to Insurance Code
2	NEW	Establishes Health System Fund; funds used by DCBS to: - administer the Oregon Reinsurance Program - transfer to OHA to: (a) provide medical assistance; (b) provide grants to community health centers and safety net clinics; (c) pay assessment refunds to CCOs; and (d) pay OHA administrative costs
3	NEW	PEBB Assessment - 1.5% on all medical claims and admin. Costs associated with claims received during calendar quarter (defines "insured" and "medical claim" for purposes of assessment calculation)
4	NEW	PEBB assessment effective dates - 1/1/18 through 12/31/19
5	NEW	DEFINITIONS (for insurer assessment) - "gross amount of premiums" - "health plan"
6	NEW	Insurer Assessment - 1.5% of the gross amount of premiums earned by the insurer during the calendar quarter (limited to Oregon plans or Oregon insureds)
7	NEW	Late assessment payment penalty (up to \$500/day)
8	NEW	Incorrect assessment payments; contested case hearings
9	NEW	(1) Insurer Assessment effective dates - beginning January 1, 2018 for 8 calendar quarters. (2) Insurer premiums - allows insurers to increase premiums by 1.5% on plans subject to assessment
10	NEW	Managed Care Assessment - 1.5% of the gross amount of total payment made to the MCO by OHA for providing health services (defines "managed care organization")
11	NEW	Late assessment payment penalty (up to \$500/day)
12	NEW	MCO Assessment payment refunds; contested case hearings
13	NEW	MCO Assessment effective dates - 1/1/18 through 12/31/2019
14	731.292	Exempts PEBB and Insurer Assessments from being deposited in DCBS Fund
15	731.840	Adds Insurer Assessment to exemptions from retaliatory and corporate excise taxes on foreign or alien insurers
16	291.055	Adds PEBB and Insurer Assessments to exemption from state agency fee approval process (*w/ OMIP pre 7/1)
17	291.055	Adds PEBB and Insurer Assessments to exemption from state agency fee approval process (*post-OMIP sunset 7/1)
Oregon Reinsurance Program		
18	NEW	Adds Sections 19-22 to Insurance Code
19	NEW	Establishes Oregon Reinsurance Program
20	NEW	DEFINITIONS - "attachment point" - "coinsurance rate" - "health benefit plan" - "reinsurance cap" - "reinsurance eligible health benefit plan" - "reinsurance eligible individual" Authorizes DCBS to set by rule the criteria for qualifying for the Oregon Reinsurance Program; limits DCBS authority to change attachment points, reinsurance caps and coinsurance rates during benefit year
21	NEW	Insurer reporting re: reinsurance eligible individuals
22	NEW	Rate filings - must include impact of reinsurance payments on projected claims costs
23	NEW	Tax exemption for Oregon Reinsurance Program
24	731.509	Allows credits for reinsurance ceded to the Oregon Reinsurance Program
25	§ 2, CH. 26, OR Laws 2016 (HB 4017)	DCBS authority to apply for waiver for Oregon Reinsurance Program
26	731.509	Sunset of credit allowance for reinsurance ceded to the Oregon Reinsurance Program in Section 24
Hospital Assessment		
27	*Amends HB 2747 (2003)	DEFINITIONS (for hospital assessment) - "hospital" - adds psychiatric care only, care to children at no charge and teaching hospitals to definition - adds "Type A" and "Type B" hospitals
28	*Amends HB 2747 (2003)	Adds 0.7% assessment on net revenue of hospitals other than type A/B; establishes assessment maximums; allows OHA Director to take into account type A/B hospitals financial position
29	*Amends HB 2747 (2003)	Removes above See Section 42
30	*Amends HB 2747 (2003)	Reduction of hospital assessment rates
31	*Amends HB 2747 (2003)	Late assessment payment penalty
32	*Amends HB 2747 (2003)	OHA audits of hospital records
33	*Amends HB 2747 (2003)	Allows OHA to use \$ in the Hospital Quality Assurance Fund to make qualified directed payments to CCOS to provide additional reimbursement to type A/B hospitals
34	*Amends HB 2747 (2003)	Removes distribution provisions hospital performance metrics (HB 2216 (2013))

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36	*Amends HB 2747 (2003)	Extends application of hospital assessment 2 years from 9/30/19 to 9/30/21
37	*Amends HB 2747 (2003)	Extends scheduled repeal of hospital assessment 2 years from 1/2/24 to 2/2/26; sunsets hospital performance advisory committee and performance distributions on 7/1/18
38	*Amends HB 2747 (2003)	Allows hospital assessment to be imposed and collected in calendar quarter beginning before 9/30/21 (See Section 36)
39	*Amends HB 2747 (2003)	Extends abolishment of Hospital Quality Assurance Fund for 2 years from 12/31/23 to 12/31/25
Funding		
40	NEW	Transfers to Health System Fund: - \$7 million from Health Insurance Exchange Fund - \$50 million from Oregon Medical Insurance Pool Account
Operative Dates, Effective Dates, Repeals and Technical Adjustments		
41	NEW	Health System Fund and PEBB, Insurer and MCO Assessments operative on 1/1/18
42	NEW	CMS approval of assessments on type A/B hospitals - YES - §§ 27, 28 and 33 operative 1/1/18 or date of CMS approval - NO - §§ 30 and 32 operative on 7/1/18
43	NEW	Oregon Reinsurance Program operative on later of HHS waiver approval OR 1/1/18
44	NEW	Sunset of credit allowance for reinsurance ceded to the Oregon Reinsurance Program operative 1/2/24 (Section 26)
45	NEW	Repeals repeal of hospital performance advisory committee and performance distributions in SB 440 (2015)
46	NEW	Repeals Oregon Reinsurance Program 1/2/24
47	NEW	Act takes effective on 91st day after sine die