

HB 2341 A STAFF MEASURE SUMMARY

Carrier: Rep. Greenlick

House Committee On Health Care

Action Date: 03/17/17

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 8-0-1-0

Yeas: 8 - Alonso Leon, Buehler, Greenlick, Hack, Hayden, Keny-Guyer, Malstrom, Nosse

Exc: 1 - Kennemer

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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WHAT THE MEASURE DOES:

Updates Insurance Code provisions applicable to health insurance in accordance with federal requirements. Modifies the small employer definition to align with federal definition. Deletes hearing aid language. Changes short-term policies from six months to three months. Removes mental health parity in the adverse benefit determination definition. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Omnibus bill bringing Oregon into compliance with federal law
- Department of Consumer and Business Services' authority to resolve state health insurance implementation issues
- Clarification of laws relating to health benefit plans, discriminatory language and the federal risk adjustment program
- Proposed amendments

EFFECT OF AMENDMENT:

Modifies the small employer definition to align with federal definition. Deletes hearing aid language. Changes short-term policies from six months to three months. Removes mental health parity in the adverse benefit determination definition.

BACKGROUND:

With the passage of the federal Patient Protection and Affordable Care Act (ACA), there were major changes to the nation's health care system. In Oregon, the Department of Consumer and Business Services (DCBS) is responsible for ACA administration.

Because the ACA largely preempts state law, state policymakers must often revise statutes and rules to comply with federal changes and adjustments. For example, the Centers for Medicare and Medicaid Services issues annual rulemaking regarding the ACA health insurance marketplace, which states must implement in the subsequent plan year. As a result of these rapid and frequent regulatory changes at the federal level, certain Oregon statutes do not align with the requirements of the ACA, resulting in complicated rulemaking procedures to reconcile Oregon law with federal requirements and direction. Since the passage of the ACA, the Legislature has enacted three bills that essentially reconnect Oregon statutes to federal regulations.

House Bill 2341-A is an omnibus bill that brings Oregon statutes in line with new and changed federal regulations and provides DCBS the ability to resolve state health insurance implementation issues.