

House Bill 2340

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Department of Consumer and Business Services)

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**.

Authorizes Department of Consumer and Business Services to permit insurer that discontinued offering health benefit plans in service area less than five years previously to resume offering health benefit plans in service area.

Reorganizes and updates references to statutes applicable to health care service contractors and multiple employer welfare arrangements.

A BILL FOR AN ACT

1
2 Relating to the applicability of statutes that pertain to health insurance; creating new provisions;
3 and amending ORS 742.001, 743.402, 743B.012, 743B.104, 743B.126, 750.055 and 750.333.

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

5 **SECTION 1. (1) ORS 731.097 and 731.098 are added to and made a part of ORS 731.004 to**
6 **731.150.**

7 **(2) ORS 731.590, 731.592 and 731.594 are added to and made a part of ORS 731.574 to**
8 **731.620.**

9 **(3) ORS 731.870 is added to and made a part of ORS 731.844 to 731.992.**

10 **SECTION 2.** ORS 742.001 is amended to read:

11 742.001. **Except as specifically provided in ORS 750.055 and 750.333**, this chapter and ORS
12 chapters 743, 743A and 743B apply to all insurance policies delivered or issued for delivery in this
13 state except:

14 (1) Reinsurance.

15 (2) Wet marine and transportation insurance policies.

16 (3) Surplus lines insurance policies.

17 **SECTION 3.** ORS 743.402 is amended to read:

18 743.402. [*Nothing in*] ORS 743.405 to 743.498, 743A.160 and 743A.164 [*shall*] **do not** apply to or
19 affect:

20 (1) Any workers' compensation insurance policy or any liability insurance policy with or without
21 supplementary expense coverage therein;

22 (2) Any policy of reinsurance;

23 (3) Any blanket or group policy of insurance, **except as expressly provided in ORS 750.055**;

24 or

25 (4) Any life insurance policy, or policy supplemental thereto which contains only such provisions
26 relating to health insurance as:

27 (a) Provide additional benefits in case of death or dismemberment or loss of sight by accident;

28 or

29 (b) Operate to safeguard such policy against lapse, or to give a special surrender value or spe-

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.

1 cial benefit or an annuity in the event the insured shall become totally and permanently disabled,
2 as defined by the policy or supplemental policy.

3 **SECTION 4.** ORS 743B.012 is amended to read:

4 743B.012. (1) As a condition of transacting business in the small employer health insurance
5 market in this state, a carrier shall offer small employers all of the carrier's health benefit plans,
6 approved by the Department of Consumer and Business Services for use in the small employer
7 market, for which the small employer is eligible.

8 (2) A carrier shall issue to a small employer any health benefit plan that is offered by the car-
9 rier if the small employer applies for the plan and agrees to make the required premium payments
10 and to satisfy the other provisions of the health benefit plan.

11 (3) A multiple employer welfare arrangement, professional or trade association or other similar
12 arrangement established or maintained to provide benefits to a particular trade, business, profession
13 or industry or their subsidiaries may not issue coverage to a group or individual that is not in the
14 same trade, business, profession or industry as that covered by the arrangement. The arrangement
15 shall accept all groups and individuals in the same trade, business, profession or industry or their
16 subsidiaries that apply for coverage under the arrangement and that meet the requirements for
17 membership in the arrangement. For purposes of this subsection, the requirements for membership
18 in an arrangement may not include any requirements that relate to the actual or expected health
19 status of the prospective enrollee.

20 (4) A carrier shall, pursuant to subsection (2) of this section, accept applications from and offer
21 coverage to a small employer group covered under an existing health benefit plan regardless of
22 whether a prospective enrollee is excluded from coverage under the existing plan because of late
23 enrollment. When a carrier accepts an application for a small employer group, the carrier may
24 continue to exclude the prospective enrollee excluded from coverage by the replaced plan until the
25 prospective enrollee would have become eligible for coverage under that replaced plan.

26 (5) A carrier is not required to accept applications from and offer coverage pursuant to sub-
27 section (2) of this section if the department finds that acceptance of an application or applications
28 would endanger the carrier's ability to fulfill its contractual obligations or result in financial
29 impairment of the carrier.

30 (6) A carrier shall actively market all health benefit plans that are offered by the carrier to
31 small employers in the geographical areas in which the carrier makes coverage available or provides
32 benefits.

33 (7)(a) Subsection (2) of this section does not require a carrier to offer coverage to or accept
34 applications from:

35 (A) A small employer if the small employer is not physically located in the carrier's approved
36 service area;

37 (B) An employee of a small employer if the employee does not work or reside within the carrier's
38 approved service areas; or

39 (C) Small employers located within an area where the carrier reasonably anticipates, and dem-
40 onstrates to the department, that it will not have the capacity in its network of providers to deliver
41 services adequately to the enrollees of those small employer groups because of its obligations to
42 existing small employer group contract holders and enrollees.

43 (b) A carrier that does not offer coverage pursuant to paragraph (a)(C) of this subsection may
44 not offer coverage in the applicable service area to new employer groups other than small employers
45 until the carrier resumes enrolling groups of new small employers in the applicable area.

1 (8) For purposes of ORS 743B.010 to 743B.013, except as provided in this subsection, carriers
 2 that are affiliated carriers or that are eligible to file a consolidated tax return pursuant to ORS
 3 317.715 shall be treated as one carrier and any restrictions or limitations imposed by ORS 743B.010
 4 to 743B.013 apply as if all health benefit plans delivered or issued for delivery to small employers
 5 in this state by the affiliated carriers were issued by one carrier. However, any insurance company
 6 or health maintenance organization that is an affiliate of a health care service contractor located
 7 in this state, or any health maintenance organization located in this state that is an affiliate of an
 8 insurance company or health care service contractor, may treat the health maintenance organization
 9 as a separate carrier and each health maintenance organization that operates only one health
 10 maintenance organization in a service area in this state may be considered a separate carrier.

11 (9) A carrier that elects to discontinue offering all of its health benefit plans to small employers
 12 under ORS 743B.013 (3)(e) or elects to discontinue renewing all such plans is prohibited from offer-
 13 ing health benefit plans to small employers in this state for a period of five years from *[one of the*
 14 *following dates]*:

15 (a) The date of notice to the department pursuant to ORS 743B.013 (3)(e); or

16 (b) If notice is not provided under paragraph (a) of this subsection, *[from]* the date on which the
 17 department provides notice to the carrier that the department has determined that the carrier has
 18 effectively discontinued offering health benefit plans to small employers in this state.

19 **(10) The department may shorten the period of prohibition described in subsection (9) of**
 20 **this section if necessary to ensure, in all geographic areas of this state, that:**

21 **(a) A competitive health insurance market exists; and**

22 **(b) Small employers have a reasonable number of health insurance options available to**
 23 **them.**

24 **SECTION 5.** ORS 743B.104 is amended to read:

25 743B.104. (1) Except in the case of a late enrollee and as otherwise provided in this section, a
 26 carrier offering a group health benefit plan to a group of two or more prospective certificate holders
 27 shall not decline to offer coverage to any eligible prospective enrollee and shall not impose different
 28 terms or conditions on the coverage, premiums or contributions of any enrollee in the group that
 29 are based on the actual or expected health status of the enrollee.

30 (2) A carrier that elects to discontinue offering all of its group health benefit plans under ORS
 31 743B.105 (5)(e), elects to discontinue renewing all such plans or elects to discontinue offering and
 32 renewing all such plans is prohibited from offering health benefit plans in the group market in this
 33 state for a period of five years from *[one of the following dates]*:

34 (a) The date of notice to the Director of the Department of Consumer and Business Services
 35 pursuant to ORS 743B.105 (5)(e); or

36 (b) If notice is not provided under paragraph (a) of this subsection, *[from]* the date on which the
 37 director provides notice to the carrier that the director has determined that the carrier has effec-
 38 tively discontinued offering group health benefit plans in this state.

39 **(3) The Department of Consumer and Business Services may shorten the period of pro-**
 40 **hibition described in subsection (2) of this section if necessary to ensure, in all geographic**
 41 **areas of this state, that:**

42 **(a) A competitive health insurance market exists; and**

43 **(b) Group purchasers have a reasonable number of health insurance options available to**
 44 **them.**

45 *[(3)]* (4) Subsection (1) of this section applies only to group health benefit plans that are not

1 small employer health benefit plans.

2 [(4)] (5) Nothing in this section shall prohibit an employer from providing different group health
3 benefit plans to various categories of employees as defined by the employer nor prohibit an employer
4 from providing health benefit plans through different carriers so long as the employer's categories
5 of employees are established in a manner that does not relate to the actual or expected health status
6 of the employees or their dependents.

7 [(5)] (6) A multiple employer welfare arrangement, professional or trade association, or other
8 similar arrangement established or maintained to provide benefits to a particular trade, business,
9 profession or industry or their subsidiaries, shall not issue coverage to a group or individual that
10 is not in the same trade, business, profession or industry or their subsidiaries as that covered by the
11 arrangement. The arrangement shall accept all groups and individuals in the same trade, business,
12 profession or industry or their subsidiaries that apply for coverage under the arrangement and that
13 meet the requirements for membership in the arrangement. For purposes of this subsection, the re-
14 quirements for membership in an arrangement shall not include any requirements that relate to the
15 actual or expected health status of the prospective enrollee.

16 **SECTION 6.** ORS 743B.126 is amended to read:

17 743B.126. (1) Each carrier shall actively market all individual health benefit plans sold by the
18 carrier that are not grandfathered health plans.

19 (2) Except as provided in subsection (3) of this section, no carrier or insurance producer shall,
20 directly or indirectly, discourage an individual from filing an application for coverage because of the
21 health status, claims experience, occupation or geographic location of the individual.

22 (3) Subsection (2) of this section does not apply with respect to information provided by a carrier
23 to an individual regarding the established geographic service area or a restricted network provision
24 of a carrier.

25 (4) Rejection by a carrier of an application for coverage shall be in writing and shall state the
26 reason or reasons for the rejection.

27 (5) The Director of the Department of Consumer and Business Services may establish by rule
28 additional standards to provide for the fair marketing and broad availability of individual health
29 benefit plans.

30 (6) A carrier that elects to discontinue offering all of its individual health benefit plans under
31 ORS 743B.125 (4)(c) or to discontinue both offering and renewing all such plans is prohibited from
32 offering and renewing health benefit plans in the individual market in this state for a period of five
33 years from the date of notice to the director pursuant to ORS 743B.125 (4)(c) or, if such notice is
34 not provided, from the date on which the director provides notice to the carrier that the director
35 has determined that the carrier has effectively discontinued offering individual health benefit plans
36 in this state. This subsection does not apply with respect to a health benefit plan discontinued in
37 a specified service area by a carrier that covers services provided only by a particular organization
38 of health care providers or only by health care providers who are under contract with the carrier.

39 **(7) The Department of Consumer and Business Services may shorten the period of pro-**
40 **hibition described in subsection (6) of this section if necessary to ensure, in all geographic**
41 **areas of this state, that:**

42 **(a) A competitive health insurance market exists; and**

43 **(b) Consumers have a reasonable number of health insurance options available to them.**

44 **SECTION 7.** ORS 750.055, as amended by section 7, chapter 59, Oregon Laws 2015, is amended
45 to read:

1 750.055. (1) The following provisions [*of the Insurance Code*] apply to health care service con-
 2 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

3 (a) ORS 705.137, **705.138 and** 705.139[.].

4 (b) **ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398**
 5 **to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS**
 6 **731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, [731.592, 731.594,]**
 7 **731.640 to 731.652, 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844**
 8 **to 731.992 [, 731.870 and 743A.252].**

9 [*(b) ORS 731.485, except in the case of a group practice health maintenance organization that is*
 10 *federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and*
 11 *operates an in-house drug outlet.*]

12 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not
 13 including ORS 732.582.

14 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
 15 to 733.780.

16 (e) ORS [*chapter 734*] **734.014 to 734.440.**

17 (f) ORS 735.600 to 735.650.

18 (g) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162[, *742.400, 742.520 to*
 19 *742.540,*] **and 742.518 to 742.542.**

20 (h) **ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.019, 743.020, 743.022, 743.023,**
 21 **743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,**
 22 **743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650**
 23 **to 743.656, 743.680 to 743.689, 743.788[,] and 743.790[.].**

24 (i) **ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.028, 743A.032, 743A.034, 743A.036,**
 25 **743A.040, 743A.044, 743A.048, 743A.050, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062,**
 26 **743A.063, 743A.064, 743A.065, 743A.066, 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088,**
 27 **743A.090, 743A.100, 743A.104, 743A.105, 743A.108, 743A.110, 743A.120, 743A.124, 743A.140, 743A.141,**
 28 **743A.144, 743A.148, 743A.150, 743A.160, 743A.164, 743A.168, 743A.170, 743A.175, 743A.184, 743A.185,**
 29 **743A.188, 743A.190, 743A.192, 743A.250, 743A.252 and 743A.260 and section 2, chapter 771, Oregon**
 30 **Laws 2013.**

31 (j) **ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195 to 743B.206, 743B.220,**
 32 **743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253, 743B.254, 743B.255, 743B.256, 743B.257,**
 33 **743B.258, 743B.280 to 743B.285, 743B.300, 743B.310, 743B.320, 743B.323, 743B.330, 743B.340,**
 34 **743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403, 743B.407, 743B.420, 743B.423, 743B.450,**
 35 **743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505, [743B.540,] 743B.550, 743B.555,**
 36 **743B.601, 743B.602 and 743B.800 [and section 2, chapter 771, Oregon Laws 2013].**

37 [*(h)*] (k) The **following** provisions of ORS chapter 744 [*relating to the regulation of insurance*
 38 *producers and third party administrators.*]:

39 (A) **ORS 744.001 to 744.009, 744.011, 744.013, 744.014, 744.018, 744.022 to 744.033, 744.037,**
 40 **744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance producers;**

41 (B) **ORS 744.605, 744.609, 744.619, 744.621, 744.626, 744.631, 744.635, 744.650, 744.655 and**
 42 **744.665, relating to the regulation of insurance consultants; and**

43 (C) **ORS 744.700 to 744.740, relating to the regulation of third party administrators.**

44 [*(i)*] (L) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608,
 45 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and

1 746.690.

2 *[(j) ORS 743A.024, except in the case of group practice health maintenance organizations that are*
 3 *federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is referred*
 4 *by a physician, physician assistant or nurse practitioner associated with a group practice health*
 5 *maintenance organization.]*

6 **(2) The following provisions of the Insurance Code apply to health care service contrac-**
 7 **tors except in the case of group practice health maintenance organizations that are federally**
 8 **qualified pursuant to Title XIII of the Public Health Service Act:**

9 **(a) ORS 731.485, if the group practice health maintenance organization wholly owns and**
 10 **operates an in-house drug outlet.**

11 **(b) ORS 743A.024, unless the patient is referred by a physician, physician assistant or**
 12 **nurse practitioner associated with a group practice health maintenance organization.**

13 *[(2)]* **(3)** For the purposes of this section, health care service contractors shall be deemed
 14 insurers.

15 *[(3)]* **(4)** Any for-profit health care service contractor organized under the laws of any other state
 16 that is not governed by the insurance laws of the other state is subject to all requirements of ORS
 17 chapter 732.

18 *[(4)]* **(5)** The Director of the Department of Consumer and Business Services may, after notice
 19 and hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005,
 20 750.025 and 750.045 that are deemed necessary for the proper administration of these provisions.

21 **SECTION 8.** ORS 750.055, as amended by section 33, chapter 698, Oregon Laws 2013, section
 22 6, chapter 25, Oregon Laws 2014, section 81, chapter 45, Oregon Laws 2014, section 8, chapter 59,
 23 Oregon Laws 2015, section 6, chapter 100, Oregon Laws 2015, section 6, chapter 224, Oregon Laws
 24 2015, section 10, chapter 362, Oregon Laws 2015, section 9, chapter 470, Oregon Laws 2015, and
 25 section 29, chapter 515, Oregon Laws 2015, is amended to read:

26 750.055. (1) The following provisions *[of the Insurance Code]* apply to health care service con-
 27 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

28 (a) ORS 705.137, **705.138 and 705.139**[,].

29 **(b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398**
 30 **to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS**
 31 **731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, [731.592, 731.594,]**
 32 **731.640 to 731.652, 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844**
 33 **to 731.992[, 731.870 and 743A.252].**

34 *[(b) ORS 731.485, except in the case of a group practice health maintenance organization that is*
 35 *federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and*
 36 *operates an in-house drug outlet.]*

37 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not
 38 including ORS 732.582.

39 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
 40 to 733.780.

41 (e) ORS *[chapter 734]* **734.014 to 734.440.**

42 (f) ORS 735.600 to 735.650.

43 (g) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162[, 742.400, 742.520 to
 44 742.540,] **and 742.518 to 742.542.**

45 **(h) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.019, 743.020, 743.022, 743.023,**

1 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, **743.405**, 743.406,
 2 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650
 3 to 743.656, 743.680 to 743.689, 743.788[,] and 743.790[.].

4 (i) **ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.028, 743A.032, 743A.034, 743A.036,**
 5 **743A.040, 743A.044, 743A.048, 743A.050, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062,**
 6 **743A.063, 743A.064, 743A.065, 743A.066, 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088,**
 7 **743A.090, 743A.100, 743A.104, 743A.105, 743A.108, 743A.110, 743A.120, 743A.124, 743A.140, 743A.141,**
 8 **743A.144, 743A.148, 743A.150, 743A.160, 743A.164, 743A.168, 743A.170, 743A.175, 743A.184, 743A.185,**
 9 **743A.188, 743A.190, 743A.192, 743A.250, 743A.252 and 743A.260 and section 2, chapter 771, Oregon**
 10 **Laws 2013.**

11 (j) **ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195 to 743B.206, 743B.220,**
 12 **743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253, 743B.254, 743B.255, 743B.256, 743B.257,**
 13 **743B.258, 743B.280 to 743B.285, 743B.300, 743B.310, 743B.320, 743B.323, 743B.330, 743B.340,**
 14 **743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403, 743B.407, 743B.420, 743B.423, 743B.450,**
 15 **743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505, [743B.540,] 743B.550, 743B.555,**
 16 **743B.601, 743B.602 and 743B.800 [and section 2, chapter 771, Oregon Laws 2013].**

17 [(h)] (k) The following provisions of ORS chapter 744 [relating to the regulation of insurance
 18 producers and third party administrators.]:

19 (A) **ORS 744.001 to 744.009, 744.011, 744.013, 744.014, 744.018, 744.022 to 744.033, 744.037,**
 20 **744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance producers;**

21 (B) **ORS 744.605, 744.609, 744.619, 744.621, 744.626, 744.631, 744.635, 744.650, 744.655 and**
 22 **744.665, relating to the regulation of insurance consultants; and**

23 (C) **ORS 744.700 to 744.740, relating to the regulation of third party administrators.**

24 [(i)] (L) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608,
 25 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and
 26 746.690.

27 [(j)] *ORS 743A.024, except in the case of group practice health maintenance organizations that are*
 28 *federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is referred*
 29 *by a physician, physician assistant or nurse practitioner associated with a group practice health*
 30 *maintenance organization.]*

31 (2) **The following provisions of the Insurance Code apply to health care service contrac-**
 32 **tors except in the case of group practice health maintenance organizations that are federally**
 33 **qualified pursuant to Title XIII of the Public Health Service Act:**

34 (a) **ORS 731.485, if the group practice health maintenance organization wholly owns and**
 35 **operates an in-house drug outlet.**

36 (b) **ORS 743A.024, unless the patient is referred by a physician, physician assistant or**
 37 **nurse practitioner associated with a group practice health maintenance organization.**

38 [(2)] (3) For the purposes of this section, health care service contractors shall be deemed
 39 insurers.

40 [(3)] (4) Any for-profit health care service contractor organized under the laws of any other state
 41 that is not governed by the insurance laws of the other state is subject to all requirements of ORS
 42 chapter 732.

43 [(4)] (5) The Director of the Department of Consumer and Business Services may, after notice
 44 and hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005,
 45 750.025 and 750.045 that are deemed necessary for the proper administration of these provisions.

1 **SECTION 9.** ORS 750.055, as amended by section 21, chapter 771, Oregon Laws 2013, section
 2 7, chapter 25, Oregon Laws 2014, section 82, chapter 45, Oregon Laws 2014, section 9, chapter 59,
 3 Oregon Laws 2015, section 7, chapter 100, Oregon Laws 2015, section 7, chapter 224, Oregon Laws
 4 2015, section 11, chapter 362, Oregon Laws 2015, section 10, chapter 470, Oregon Laws 2015, and
 5 section 30, chapter 515, Oregon Laws 2015, is amended to read:

6 750.055. (1) The following provisions [*of the Insurance Code*] apply to health care service con-
 7 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

8 (a) ORS 705.137, **705.138 and 705.139**[.].

9 **(b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398**
 10 **to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS**
 11 **731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, [731.592, 731.594,]**
 12 **731.640 to 731.652, 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844**
 13 **to 731.992 [731.870 and 743A.252].**

14 **[(b) ORS 731.485, except in the case of a group practice health maintenance organization that is**
 15 **federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and**
 16 **operates an in-house drug outlet.]**

17 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not
 18 including ORS 732.582.

19 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
 20 to 733.780.

21 (e) ORS [*chapter 734*] **734.014 to 734.440.**

22 (f) ORS 735.600 to 735.650.

23 (g) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162[, 742.400, 742.520 to
 24 742.540,] **and 742.518 to 742.542.**

25 **(h) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.019, 743.020, 743.022, 743.023,**
 26 **743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,**
 27 **743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650**
 28 **to 743.656, 743.680 to 743.689, 743.788[,] and 743.790[.].**

29 **(i) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.028, 743A.032, 743A.034, 743A.036,**
 30 **743A.040, 743A.044, 743A.048, 743A.050, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062,**
 31 **743A.063, 743A.064, 743A.065, 743A.066, 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088,**
 32 **743A.090, 743A.100, 743A.104, 743A.105, 743A.108, 743A.110, 743A.120, 743A.124, 743A.140, 743A.141,**
 33 **743A.144, 743A.148, 743A.150, 743A.160, 743A.164, 743A.168, 743A.170, 743A.175, 743A.184, 743A.185,**
 34 **743A.188, 743A.190, 743A.192, 743A.250, 743A.252 and 743A.260.**

35 **(j) ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195 to 743B.206, 743B.220,**
 36 **743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253, 743B.254, 743B.255, 743B.256, 743B.257,**
 37 **743B.258, 743B.280 to 743B.285, 743B.300, 743B.310, 743B.320, 743B.323, 743B.330, 743B.340,**
 38 **743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403, 743B.407, 743B.420, 743B.423, 743B.450,**
 39 **743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505, [743B.540,] 743B.550, 743B.555,**
 40 **743B.601, 743B.602 and 743B.800.**

41 **[(h)] (k) The following provisions of ORS chapter 744 [relating to the regulation of insurance**
 42 **producers and third party administrators.]:**

43 **(A) ORS 744.001 to 744.009, 744.011, 744.013, 744.014, 744.018, 744.022 to 744.033, 744.037,**
 44 **744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance producers;**

45 **(B) ORS 744.605, 744.609, 744.619, 744.621, 744.626, 744.631, 744.635, 744.650, 744.655 and**

1 **744.665, relating to the regulation of insurance consultants; and**

2 **(C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.**

3 [(i)] **(L)** ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608,
4 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and
5 746.690.

6 [(j)] *ORS 743A.024, except in the case of group practice health maintenance organizations that are*
7 *federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is referred*
8 *by a physician, physician assistant or nurse practitioner associated with a group practice health*
9 *maintenance organization.]*

10 **(2) The following provisions of the Insurance Code apply to health care service contrac-**
11 **tors except in the case of group practice health maintenance organizations that are federally**
12 **qualified pursuant to Title XIII of the Public Health Service Act:**

13 **(a) ORS 731.485, if the group practice health maintenance organization wholly owns and**
14 **operates an in-house drug outlet.**

15 **(b) ORS 743A.024, unless the patient is referred by a physician, physician assistant or**
16 **nurse practitioner associated with a group practice health maintenance organization.**

17 [(2)] **(3)** For the purposes of this section, health care service contractors shall be deemed
18 insurers.

19 [(3)] **(4)** Any for-profit health care service contractor organized under the laws of any other state
20 that is not governed by the insurance laws of the other state is subject to all requirements of ORS
21 chapter 732.

22 [(4)] **(5)** The Director of the Department of Consumer and Business Services may, after notice
23 and hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005,
24 750.025 and 750.045 that are deemed necessary for the proper administration of these provisions.

25 **SECTION 10.** ORS 750.333, as amended by section 10, chapter 59, Oregon Laws 2015, is
26 amended to read:

27 750.333. (1) The following provisions [*of the Insurance Code*] apply to trusts carrying out a mul-
28 tiple employer welfare arrangement:

29 **(a) ORS 705.137, 705.138 and 705.139.**

30 [(a)] **(b)** ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
31 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
32 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804, **731.808 and 731.844** to
33 731.992[, *743.029 and 743A.252*].

34 [(b)] **(c)** ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to
35 733.780.

36 [(c)] **(d)** ORS [*chapter 734*] **734.014 to 734.440.**

37 [(d)] **(e)** ORS 742.001 to 742.009, 742.013, 742.061 and [*742.400*] **742.065.**

38 [(e)] **(f)** ORS 743.004, **743.005, 743.007,** 743.008, **743.010, 743.018, 743.020, 743.023,** 743.028,
39 **743.029,** 743.053, 743.406, 743.524, 743.526[, *743.528,*] **and** 743.535[.].

40 **(g) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.024, 743A.028, 743A.032, 743A.034,**
41 **743A.036, 743A.040, 743A.048, 743A.050,** 743A.051, 743A.052, **743A.058, 743A.060, 743A.062,**
42 **743A.063,** 743A.064, 743A.065, **743A.066, 743A.068, 743A.070,** 743A.080, 743A.082, **743A.084,**
43 **743A.088, 743A.090,** 743A.100, 743A.104, **743A.105, 743A.108,** 743A.110, **743A.120, 743A.124,**
44 **743A.140, 743A.141,** 743A.144, **743A.148,** 743A.150, **743A.160, 743A.168,** 743A.170, 743A.175,
45 **743A.180, 743A.184, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252 and 743A.260.**

1 **(h) ORS** 743B.001, 743B.003 to 743B.127 (except 743B.125 to 743B.127), 743B.195 to 743B.206,
 2 743B.220, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253, 743B.254, 743B.255, 743B.256,
 3 743B.257, 743B.258, 743B.310, 743B.320, 743B.321, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343,
 4 743B.344, 743B.345, 743B.347, 743B.400, 743B.403, 743B.407, 743B.420, 743B.423, 743B.451, 743B.453,
 5 743B.470, 743B.505, 743B.550, 743B.555 and 743B.601.

6 *[(f) ORS 743A.010, 743A.014, 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048,*
 7 *743A.058, 743A.066, 743A.068, 743A.070, 743A.084, 743A.088, 743A.090, 743A.105, 743A.140, 743A.141,*
 8 *743A.148, 743A.168, 743A.180, 743A.185, 743A.188 and 743A.190. Multiple employer welfare arrange-*
 9 *ments to which ORS 743.004, 743.022, 743.535 and 743B.003 to 743B.127 apply are subject to the*
 10 *sections referred to in this paragraph only as provided in ORS 743.004, 743.022, 743.535 and 743B.003*
 11 *to 743B.127.]*

12 *[(g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insurance*
 13 *consultants, and ORS 744.700 to 744.740.]*

14 **(i) The following provisions of ORS chapter 744:**

15 **(A) ORS 744.001 to 744.009, 744.011, 744.013, 744.014, 744.018, 744.022 to 744.033, 744.037,**
 16 **744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance producers;**

17 **(B) ORS 744.605, 744.609, 744.619, 744.621, 744.626, 744.631, 744.635, 744.650, 744.655 and**
 18 **744.665, relating to the regulation of insurance consultants; and**

19 **(C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.**

20 *[(h)] (j) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.*

21 *[(i) ORS 731.592 and 731.594.]*

22 *[(j) ORS 731.870.]*

23 (2) For the purposes of this section:

24 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

25 (b) References to certificates of authority shall be considered references to certificates of mul-
 26 tiple employer welfare arrangement.

27 (c) Contributions shall be considered premiums.

28 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the
 29 transaction of health insurance.

30 **(4) The Department of Consumer and Business Services may adopt rules that are neces-**
 31 **sary to implement the provisions of ORS 750.301 to 750.341.**

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