

B-Engrossed
House Bill 2342

Ordered by the Senate June 9
Including House Amendments dated May 12 and Senate Amendments
dated June 9

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.

Authorizes Department of Consumer and Business Services to adopt rules not in compliance with [*state law governing health insurance*] **Insurance Code** if necessary due to change in federal law or decision by federal agency that Director of Department of Consumer and Business Services determines will cause imminent destabilization of insurance market and risk life or health of state residents. **Prohibits department from failing to comply with statutory provisions requiring coverage of specific providers, items, services and essential health benefits and provisions limiting preexisting condition exclusions.**

Rules adopted pursuant to authority granted by Act may be in effect for no longer than six months. Department must immediately report actions taken to President of Senate, Speaker of House of Representatives and committees of Legislative Assembly related to health, and must report each calendar quarter thereafter.

Sunset July 1, 2019.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to health insurance; and declaring an emergency.

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

4 **SECTION 1. (1) Notwithstanding any other law, the Department of Consumer and Business Services may, upon the recommendation of the Health Insurance Exchange Advisory**
5 **Committee created in ORS 741.004, adopt rules that are not in compliance with the Insurance**
6 **Code if:**

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8 (a)(A) There is a change in federal law on or after September 1, 2017, that:

9 (i) Is expected to cause premium rates previously approved by the department to no
10 longer meet the requirements of ORS 743.018 (4); or

11 (ii) Is expected to have a substantial impact on the average out-of-pocket costs for or
12 premiums paid by insureds in this state; or

13 (B) A decision is made by the United States Department of Health and Human Services,
14 the Internal Revenue Service or the United States Department of Labor to discontinue or
15 reduce federal payments for cost-sharing reductions authorized by 42 U.S.C. 18071; and

16 (b) The Director of the Department of Consumer and Business Services determines that
17 the change in law or decision by a federal agency described in paragraph (a) of this sub-
18 section will cause an imminent destabilization of the insurance market and risk the life or
19 health of residents of this state.

20 (2) The rules may be adopted as temporary rules, in accordance with ORS 183.335 (5), but

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 may not be readopted in whole or in part. Rules adopted as permanent rules may not be in
2 effect for a period longer than six months unless ratified by an action of the Legislative As-
3 sembly.

4 (3) If the Department of Consumer and Business Services adopts any rules pursuant to
5 its authority under this section, the department shall:

6 (a) Immediately report to the President of the Senate, the Speaker of the House of Rep-
7 resentatives and the interim committees of the Legislative Assembly related to health any
8 action taken by the department pursuant to the rules and a full explanation of the reasons
9 for taking the action; and

10 (b) Each calendar quarter after adopting the rules, report the impact of any actions
11 taken pursuant to the rules on consumers and the insurance market in this state to the
12 committees or interim committees of the Legislative Assembly related to health.

13 (4) Subsection (1) of this section does not authorize the Department of Consumer and
14 Business Services to adopt any rule that fails to comply with the following provisions of the
15 Insurance Code:

16 (a) The requirements for the reimbursement of providers, items and services in ORS
17 chapter 743A;

18 (b) The prohibition on denial of coverage to consumers with preexisting conditions under
19 ORS 735.616, 743B.003, 743B.011, 743B.013, 743B.105 or 743B.125; and

20 (c) The requirement to cover essential health benefits under ORS 741.310, 743B.013 and
21 743B.125.

22 **SECTION 2.** Section 1 of this 2017 Act is repealed on July 1, 2019.

23 **SECTION 3.** This 2017 Act being necessary for the immediate preservation of the public
24 peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect
25 on its passage.