

# House Bill 3418

Sponsored by Representatives KOTEK, SMITH G, GREENLICK

## 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**.

Modifies methodology for reimbursement of health care services and supplies provided to enrollees in health benefit plans offered by Public Employees' Benefit Board.  
Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to reimbursement of health care costs; creating new provisions; amending ORS 243.256 and  
3 442.394; and declaring an emergency.

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

5 **SECTION 1.** ORS 243.256 is amended to read:

6 243.256. *[(1) A hospital that provides services or supplies under a benefit plan offered by the Public*  
7 *Employees' Benefit Board shall be reimbursed using the methodology prescribed by the Oregon Health*  
8 *Authority under ORS 442.392 and may not be reimbursed for each service or supply provided.]*

9 *[(2) This section applies to hospital payments made by a carrier under a contract with the board*  
10 *and to hospital payments made under a self-insurance program administered by a third party admin-*  
11 *istrator on behalf of the board.]*

12 (1) **As used in this section, "health benefit plan" means a benefit plan offered by the**  
13 **Public Employees' Benefit Board that provides medical, dental, vision or other health care**  
14 **benefits by paying claims for reimbursement submitted to the plan by medical, dental, vision**  
15 **or other health care providers.**

16 (2) **A health benefit plan shall reimburse a claim for reimbursement of a health care**  
17 **service or supply that is covered by, or is similar to a service or supply that is covered by,**  
18 **the Medicare program in an amount that does not exceed:**

19 (a) **For claims submitted by in-network providers, 200 percent of the amount paid by**  
20 **Medicare for the service or supply; or**

21 (b) **For claims submitted by out-of-network providers, 185 percent of the amount paid by**  
22 **Medicare for the service or supply.**

23 (3) **A provider who is reimbursed in accordance with subsection (2) of this section may**  
24 **not charge to or collect from the patient or a person who is financially responsible for the**  
25 **patient an amount in addition to the reimbursement paid under subsection (2) of this section**  
26 **other than cost sharing amounts authorized by the terms of the health benefit plan.**

27 *[(3)]* (4) **This section does not apply to reimbursements paid by a carrier or third party admin-**  
28 **istrator to a** *[hospital that is not subject to the methodology prescribed by the authority under ORS*  
29 *442.392];*

30 (a) **Type A or type B hospital as described in ORS 442.470;**

31 (b) **Rural critical access hospital as defined in ORS 315.613;**

**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 (c) Patient centered primary care home as described in ORS 413.259;

2 (d) Behavioral health home as described in ORS 413.259; or

3 (e) Provider for services delivered using a nationally recognized primary care home pay-  
4 ment model.

5 **SECTION 2.** ORS 442.394 is amended to read:

6 442.394. (1) A hospital or ambulatory surgical center shall bill and accept as payment in full an  
7 amount determined in accordance with **ORS 243.256 or ORS 243.879, if applicable, or** the payment  
8 methodology prescribed by the Oregon Health Authority under ORS 442.392.

9 (2) This section does not apply to type A or type B hospitals as described in ORS 442.470 or  
10 rural critical access hospitals as defined in ORS 315.613.

11 **SECTION 3.** The amendments to ORS 243.256 by section 1 of this 2017 Act apply to health  
12 benefit plans offered by the Public Employees' Benefit Board on or after January 1, 2018.

13 **SECTION 4.** This 2017 Act being necessary for the immediate preservation of the public  
14 peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect  
15 on its passage.  
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