

Requested by Senator STEINER HAYWARD

**PROPOSED AMENDMENTS TO
SENATE BILL 272**

1 On page 1 of the printed bill, delete line 3 and insert “743B.125.”.

2 Delete lines 5 through 28 and delete pages 2 through 12 and insert:

3 **“SECTION 1.** ORS 743B.125 is amended to read:

4 “743B.125. (1) With respect to coverage under an individual health benefit
5 plan, a carrier may not impose an individual coverage waiting period.

6 “(2) With respect to individual coverage under a grandfathered health
7 plan, a carrier:

8 “(a) May impose an exclusion period for specified covered services appli-
9 cable to all individuals enrolling for the first time in the individual health
10 benefit plan.

11 “(b) May not impose a preexisting condition exclusion unless the exclu-
12 sion complies with the following requirements:

13 “(A) The exclusion applies only to a condition for which medical advice,
14 diagnosis, care or treatment was recommended or received during the six-
15 month period immediately preceding the individual’s effective date of cover-
16 age.

17 “(B) The exclusion expires no later than six months after the individual’s
18 effective date of coverage.

19 “(3) An individual health benefit plan other than a grandfathered health
20 plan must cover, at a minimum, all essential health benefits.

21 “(4) A carrier shall renew an individual health benefit plan, including a

1 health benefit plan issued through a bona fide association, unless:

2 “(a) The policyholder fails to pay the required premiums.

3 “(b) The policyholder or a representative of the policyholder engages in
4 fraud or makes an intentional misrepresentation of a material fact as pro-
5 hibited by the terms of the policy.

6 “(c) The carrier discontinues both offering and renewing all of its indi-
7 vidual health benefit plans in this state or in a specified service area within
8 this state. In order to discontinue the plans under this paragraph, the car-
9 rier:

10 “(A) Must give notice of the decision to the Department of Consumer and
11 Business Services and to all policyholders covered by the plans;

12 “(B) May not cancel coverage under the plans for 180 days after the date
13 of the notice required under subparagraph (A) of this paragraph if coverage
14 is discontinued in the entire state or, except as provided in subparagraph (C)
15 of this paragraph, in a specified service area; and

16 “(C) May not cancel coverage under the plans for 90 days after the date
17 of the notice required under subparagraph (A) of this paragraph if coverage
18 is discontinued in a specified service area because of an inability to reach
19 an agreement with the health care providers or organization of health care
20 providers to provide services under the plans within the service area.

21 “(d) The carrier discontinues both offering and renewing an individual
22 health benefit plan in a specified service area within this state because of
23 an inability to reach an agreement with the health care providers or organ-
24 ization of health care providers to provide services under the plan within the
25 service area. In order to discontinue a plan under this paragraph, the carrier:

26 “(A) Must give notice of the decision to the department and to all
27 policyholders covered by the plan;

28 “(B) May not cancel coverage under the plan for 90 days after the date
29 of the notice required under subparagraph (A) of this paragraph; and

30 “(C) Must offer in writing to each policyholder covered by the plan, all

1 other individual health benefit plans that the carrier offers in the specified
2 service area. The carrier shall offer the plans at least 90 days prior to dis-
3 continuation.

4 “(e) The carrier discontinues both offering and renewing an individual
5 health benefit plan, other than a grandfathered health plan, for all individ-
6 uals in this state or in a specified service area within this state, other than
7 a plan discontinued under paragraph (d) of this subsection.

8 “(f) The carrier discontinues both offering and renewing a grandfathered
9 health plan for all individuals in this state or in a specified service area
10 within this state, other than a plan discontinued under paragraph (d) of this
11 subsection.

12 “(g) With respect to plans that are being discontinued under paragraph
13 (e) or (f) of this subsection, the carrier must:

14 “(A) Offer in writing to each policyholder covered by the plan, all health
15 benefit plans that the carrier offers to individuals in the specified service
16 area.

17 “(B) Offer the plans at least 90 days prior to discontinuation.

18 “(C) Act uniformly without regard to the claims experience of the affected
19 policyholders or the health status of any current or prospective enrollee.

20 “(h) The Director of the Department of Consumer and Business Services
21 orders the carrier to discontinue coverage in accordance with procedures
22 specified or approved by the director upon finding that the continuation of
23 the coverage would:

24 “(A) Not be in the best interests of the enrollee; or

25 “(B) Impair the carrier’s ability to meet its contractual obligations.

26 “(i) In the case of an individual health benefit plan that delivers covered
27 services through a specified network of health care providers, the enrollee
28 no longer lives, resides or works in the service area of the provider network
29 and the termination of coverage is not related to the health status of any
30 enrollee.

1 “(j) In the case of a health benefit plan that is offered in the individual
2 market only through one or more bona fide associations, the membership of
3 an individual in the association ceases and the termination of coverage is
4 not related to the health status of any enrollee.

5 “(5) A carrier may modify an individual health benefit plan at the time
6 of coverage renewal. The modification is not a discontinuation of the plan
7 under subsection (4)(c), (e) and (f) of this section.

8 “(6) Notwithstanding any other provision of this section, and subject to
9 the provisions of ORS 743B.310 (2) and (4), a carrier may rescind an indi-
10 vidual health benefit plan if the policyholder or a representative of the
11 policyholder:

12 “(a) Performs an act, practice or omission that constitutes fraud; or

13 “(b) Makes an intentional misrepresentation of a material fact as pro-
14 hibited by the terms of the policy.

15 “(7) A carrier that continues to offer coverage in the individual market
16 in this state is not required to offer coverage in all of the carrier’s individual
17 health benefit plans. However, if a carrier elects to continue a plan that is
18 closed to new individual policyholders instead of offering alternative cover-
19 age in its other individual health benefit plans, the coverage for all existing
20 policyholders in the closed plan is renewable in accordance with subsection
21 (4) of this section.

22 “(8) An individual health benefit plan may not impose annual or lifetime
23 limits on the dollar amount of essential health benefits.

24 “(9) A grandfathered health plan may not impose lifetime limits on the
25 dollar amount of essential health benefits.

26 “(10) This section does not require a carrier to actively market, offer, is-
27 sue or accept applications for:

28 “(a) A bona fide association health benefit plan from individuals who are
29 not members of the bona fide association; or

30 “(b) A grandfathered health plan from individuals who are not eligible for

1 coverage under the plan.

2 **“(11) A carrier that offers an individual health benefit plan that**
3 **reimburses the cost of prescription drugs sold by a retail pharmacy**
4 **or administered by a health care provider:**

5 **“(a) Shall make available to all consumers, by drug name or generic**
6 **name, a comparison of the coverage of the drug in each of the indi-**
7 **vidual health benefit plans offered by the insurer, including:**

8 **“(A) Any prior authorization, step therapy or other utilization**
9 **controls applicable to the drug;**

10 **“(B) Any cost sharing or deductible applicable to the drug; and**

11 **“(C) The approximate retail pharmacy cost to the consumer for the**
12 **drug based on any applicable cost sharing or deductible.**

13 **“(b) For prescription drugs covered as a pharmacy benefit, shall**
14 **provide the information described in paragraph (a) of this subsection**
15 **through an easily accessible website.**

16 **“(c) For prescription drugs covered as a medical benefit, may pro-**
17 **vide the information described in paragraph (a) of this subsection**
18 **through a toll-free telephone number.**

19 **“(d) May not require a password, a user name or any personally**
20 **identifiable information to access the information described in para-**
21 **graph (a) of this subsection other than an electronic mail address. If**
22 **the carrier requires an electronic mail address, the carrier may not**
23 **use the consumer’s electronic mail address for marketing purposes**
24 **and must offer the consumer the option to opt out of receiving any**
25 **further communications from the carrier by electronic mail.**

26 **“(12) At least 30 days prior to terminating coverage for a pre-**
27 **scription drug, a carrier must provide notice of the termination to**
28 **enrollees for whom a dispensing of a drug has been reimbursed by the**
29 **carrier during the plan year. The notice must include the information**
30 **described in ORS 743B.250 (1)(d)(D) and (E). The notice may be pro-**

1 vided by electronic mail only to an enrollee who has elected to receive
2 all communications from the carrier electronically.

3 **“SECTION 2. The amendments to ORS 743B.125 by section 1 of this**
4 **2017 Act become operative on July 1, 2018.”**

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