

SB 587 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 2/6

WHAT THE MEASURE DOES:

Prohibits individual or group policy or certificate of health insurance from requiring prior authorization for specified treatments by physical or occupational therapist if treatment is medically necessary and within the quantitative treatment limits of the policy or certificate. Defines "new episode of care" for physical or occupational therapy treatments.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Through its Division of Financial Regulation, the Department of Consumer and Business Services (DCBS) is the state's primary regulator of all types of insurance companies, including health insurance companies. In 2015, the division regulated health insurers covering approximately 1 million Oregonians in the individual, small group, large group, and associations and trusts markets. An estimated 710,000 Oregonians were covered by self-insured employers, which are regulated by the federal government under the 1974 Employee Retirement Income Security Act (ERISA).

Senate Bill 587 places restrictions against prior authorization for specified treatments of physical or occupational therapy in the Insurance Code that regulates individual, small group, large group, and associations and trusts markets.