

C-Engrossed
House Bill 4016

Ordered by the House March 3
Including House Amendments dated February 17 and February 25 and
March 3

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Rules for Representative Tina Kotek)

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.

Defines "device" for purposes of practice of advanced nonablative esthetics. Allows person certified to practice esthetics to use items other than devices.

Prohibits person certified to practice esthetics from using mechanical or electrical apparatus, appliance or device without specific authorization by Board of Certified Advanced Estheticians. Defines "mechanical or electrical apparatus, appliance or device."

Requires health insurance policies to provide coverage for certain prescription drugs prescribed and dispensed by pharmacists and pharmacist fees for related patient consultation. Prohibits certain insurers from requiring prior authorization for medication prescribed for treatment of opioid or opiate withdrawal or post-exposure prophylaxes antiretroviral drugs, or restricting reimbursement for specified medication-assisted treatments.

Establishes Senior Emergency Medical Services Innovation Program in Department of Human Services to fund and monitor certain local public sector pilot projects related to emergency medical services for seniors. Sunsets January 2, 2024.

Preempts local governments from enacting certain regulations related to, and from imposing fees on, long term care facilities and residential care facilities. Creates exemptions from preemption. Sunsets January 2, 2024.

Directs Task Force on Universal Health Care to report to committees of Legislative Assembly related to health during 2021 Legislative session. Directs task force to submit final report not later than November 1, 2021, to interim committees of Legislative Assembly related to health.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to health care; creating new provisions; amending ORS 443.001, 676.630, 676.635, 690.005,
3 690.015, 743A.064, 743B.001 and 743B.425 and section 8, chapter 629, Oregon Laws 2019; and
4 declaring an emergency.

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

6
7 **ESTHETICS**

8
9 **SECTION 1.** ORS 676.630 is amended to read:

10 676.630. As used in ORS 676.630 to 676.660:

11 (1) "Advanced nonablative esthetics procedure" means a procedure that uses a laser, **intense**
12 **pulsed light** or other device [*registered with the United States Food and Drug Administration*] for
13 nonablative procedures performed on the skin or hair, including, but not limited to, procedures
14 performed in conjunction with one of the following modalities:

15 (a) Skin rejuvenation;

16 (b) Photo rejuvenation;

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) Body contouring;
- 2 (d) Dyschromia reduction;
- 3 (e) Cellulite reduction;
- 4 (f) Hair removal or reduction; and
- 5 (g) Nonablative tattoo removal.

6 (2) "Certified advanced esthetician" means a person certified to practice advanced nonablative
7 esthetics procedures under ORS 676.630 to 676.660.

8 **(3) "Device" has the meaning given that term by the Board of Certified Advanced**
9 **Estheticians by rule.**

10 [(3)] (4) "Esthetician" means a person certified to practice esthetics under ORS 690.005 to
11 690.225.

12 [(4)] (5) "Nonablative" means involving an action performed on the skin or hair of a person that
13 does not result in the wounding of skin or underlying tissue.

14 **SECTION 2.** ORS 676.635 is amended to read:

15 676.635. (1) A person may not practice advanced nonablative esthetics procedures or use a title,
16 word or abbreviation, including the designation certified advanced esthetician, that indicates that
17 the person is authorized to practice advanced nonablative esthetics procedures unless the person is
18 certified by the Board of Certified Advanced Estheticians under ORS 676.640.

19 (2) Notwithstanding ORS 677.080, a certified advanced esthetician may practice advanced
20 nonablative esthetics procedures.

21 (3) This section does not apply to:

22 (a) A person who is a licensed health care professional if the person's scope of practice includes
23 the practice of advanced nonablative esthetics procedures; or

24 (b) A student enrolled in an advanced nonablative esthetics education program or training pro-
25 gram or in an advanced nonablative esthetics program that combines education and training.

26 **(4) Notwithstanding subsection (1) of this section, a person who is certified to practice**
27 **esthetics under ORS 690.048 may, to the extent reasonably appropriate for the person's**
28 **practice, use an item that is not a device.**

29 **SECTION 3.** ORS 690.005 is amended to read:

30 690.005. As used in ORS 690.005 to 690.225:

31 (1) "Barbering" means any of the following practices, when done upon the human body for cos-
32 metic purposes and not for medical diagnosis or treatment of disease or physical or mental ailments:

33 (a) Shampooing, styling, cutting, singeing and conditioning of the hair of an individual.

34 (b) Applying hair tonics, dressings and rinses.

35 (c) Massaging of the scalp, face and neck and applying facial and scalp treatments with creams,
36 lotions, oils and other cosmetic preparations, either by hand or mechanical appliances, except that
37 the mechanical appliances may not be galvanic or faradic.

38 (d) Shaving, trimming or cutting of the beard or mustache.

39 (2) "Certificate" means a written authorization for the holder to perform in one or more fields
40 of practice.

41 (3) "Cosmetology" means the art or science of beautifying and improving the skin, nails and hair
42 and the study of cosmetics and their application.

43 (4) "Demonstration permit" means a written authorization for a person to practice, demonstrate
44 and teach one or more fields of practice on a temporary basis.

45 (5) "Esthetics" means any of the following skin care or facial care practices performed on the

1 human body or face for the purpose of keeping the skin of the human body or face healthy and at-
2 tractive and not for medical diagnosis or treatment of disease or physical or mental ailments:

3 (a) The use of the hands or mechanical or electric apparatuses [*or*], appliances **or devices** for
4 cleansing, stimulating, manipulating, exfoliating or applying lotions or creams.

5 (b) Temporary removal of hair **by using lotion, cream, an appliance, wax, thread, sugar,**
6 **tweezers, dermaplaning, a depilatory or other means.**

7 (c) Makeup artistry.

8 (d) **Eyebrow and** eyelash services.

9 (e) Facial and body [*wrapping*] **treatments.**

10 [(*f*) *Facial and body waxing.*]

11 (6) "Facility" means an establishment operated on a regular or irregular basis for the purpose
12 of providing services in one or more fields of practice.

13 (7) "Field of practice" means the following cosmetology disciplines:

14 (a) Barbering.

15 (b) Esthetics.

16 (c) Hair design.

17 (d) Nail technology.

18 (e) Natural hair care.

19 (8) "Freelance license" means a written authorization that allows a practitioner to practice
20 outside or away from a licensed facility.

21 (9) "Hair design" means any of the following practices, when done upon the human body for
22 cosmetic purposes and not for medical diagnosis or treatment of disease or physical or mental
23 ailments:

24 (a) Shaving, trimming or cutting of the beard or mustache.

25 (b) Styling, permanent waving, relaxing, cutting, singeing, bleaching, coloring, shampooing, con-
26 ditioning, applying hair products or similar work upon the hair of an individual.

27 (c) Massaging the scalp and neck when performed in conjunction with activities in paragraph
28 (a) or (b) of this subsection.

29 (10) "Independent contractor" means a practitioner who qualifies as an independent contractor
30 under ORS 670.600 and who is not under the control and direction of a facility license holder.

31 (11) "License" means a written authorization issued under ORS 690.055 to a person to operate
32 a facility or freelance business for providing services related to one or more fields of practice to the
33 public.

34 (12)(a) **"Mechanical or electrical apparatus, appliance or device" includes, but is not lim-**
35 **ited to, galvanic current, high-frequency microcurrents, light-emitting diode therapy and**
36 **microdermabrasion.**

37 (b) **"Mechanical or electrical apparatus, appliance or device" does not include lasers or**
38 **intense pulsed light or a device as that term is defined in ORS 676.630.**

39 [(12)] (13) "Nail technology" means any of the following manicuring or pedicuring practices
40 performed for cosmetic purposes and not for medical diagnosis or treatment of disease or physical
41 or mental ailments:

42 (a) Cutting, trimming, polishing, coloring, tinting, cleansing or otherwise treating the nails of the
43 hands or feet.

44 (b) Massaging, cleansing, treating or beautifying the hands, arms below the elbow, feet or legs
45 below the knee.

1 (c) Applying, sculpturing or removing artificial nails of the hands or feet.

2 [(13)(a)] (14)(a) “Natural hair care” means:

3 (A) The braiding, cornrowing, extending, lacing, locking, sewing, twisting, weaving or wrapping
4 of human hair, natural fibers, synthetic fibers or hair extensions through the use of hands or simple
5 devices such as clips, combs, hairpins or needle and thread;

6 (B) The use of scissors to trim synthetic fibers, hair extensions or sewn-in weave extensions as
7 is necessary to perform the activities described in this paragraph;

8 (C) The making of customized wigs from natural hair, natural fibers, synthetic fibers or hair
9 extensions; or

10 (D) Shampooing or conditioning of the hair of an individual.

11 (b) “Natural hair care” does not include the use of scissors, except as provided in paragraph
12 (a)(B) of this subsection, penetrating chemical hair treatments, chemical hair coloring agents,
13 chemical hair straightening agents, chemical hair joining agents, permanent wave styles or chemical
14 hair bleaching agents.

15 [(14)] (15) “Practitioner” means a person certified to perform services included within a field of
16 practice.

17 [(15)] (16) “Registration” means a written authorization issued to an independent contractor to
18 hold forth to the public as a business entity providing services in a field of practice.

19 [(16)] (17) “School” means an educational establishment that has a license issued by the De-
20 partment of Education and is operated for the purpose of teaching one or more fields of practice.
21 For purposes of this subsection, “field of practice” does not include natural hair care.

22 [(17)] (18) “Temporary facility permit” means a written authorization issued under ORS 690.055
23 to provide services on a temporary basis in one or more fields of practice.

24 **SECTION 4.** ORS 690.015 is amended to read:

25 690.015. (1) This section establishes prohibitions relating to the practice of hair design, barber-
26 ing, esthetics, nail technology and natural hair care. The prohibitions under this section are subject
27 to the exemptions under ORS 690.025. A person who commits an act prohibited under this section
28 is subject to the penalties under ORS 690.992 in addition to any administrative action taken by or
29 any civil penalty imposed by the Health Licensing Office under ORS 676.612.

30 (2) A person may not:

31 (a) Perform or attempt to perform services in a field of practice without an active certificate,
32 demonstration permit, registration or freelance license.

33 (b) Operate a facility without a license or temporary facility permit.

34 (c) Perform or attempt to perform services in a field of practice outside a licensed facility or
35 temporary facility unless the person holds a freelance license issued under ORS 690.123.

36 (d) Practice hair design, barbering, esthetics, nail technology or natural hair care as an inde-
37 pendent contractor without a registration.

38 (e) Display a sign or in any way advertise or purport to offer services in a field of practice
39 without first obtaining a permit, certificate, independent contractor registration or facility license.

40 (f) Knowingly make a false statement on an application to obtain or renew a certificate, regis-
41 tration, license or permit.

42 [(g) Allow an individual in the employ or under the supervision or control of the person to perform
43 in a field of practice without a certificate or permit.]

44 (g) Use a mechanical or electrical apparatus, appliance or device or other technique be-
45 yond the epidermis if the person is certified to practice esthetics under ORS 690.048, unless

1 **otherwise authorized by the office by rule.**

2 (h) Sell, barter or offer to sell or barter a document evidencing a certificate, registration, license
3 or permit.

4 (i) Purchase or procure by barter a document evidencing a certificate with intent to use it as
5 evidence of the person's qualification as a practitioner.

6 (j) Materially alter with fraudulent intent a document evidencing a certificate, registration, li-
7 cense or permit.

8 (k) Use or attempt to use a fraudulently obtained, counterfeited or materially altered document
9 evidencing a certificate, registration, license or permit.

10 **SECTION 5. (1) The amendments to ORS 676.630, 676.635, 690.005 and 690.015 by sections**
11 **1 to 4 of this 2020 Act become operative on January 1, 2021.**

12 **(2) The Board of Certified Advanced Estheticians, the Board of Cosmetology and the**
13 **Health Licensing Office may take any action before the operative date specified in subsection**
14 **(1) of this section that is necessary to enable the boards or the office to exercise, on and**
15 **after the operative date specified in subsection (1) of this section, all of the duties, functions**
16 **and powers conferred on the boards or the office by the amendments to ORS 676.630, 676.635,**
17 **690.005 and 690.015 by sections 1 to 4 of this 2020 Act.**

18
19 **PRESCRIPTION DRUG COVERAGE**

20
21 **SECTION 6.** ORS 743A.064 is amended to read:

22 743A.064. (1) **As used in this section, "urgent medical condition" means a medical condi-**
23 **tion that arises suddenly, is not life-threatening and requires prompt treatment to avoid the**
24 **development of more serious medical problems.**

25 [(1)] (2) All health insurance policies that provide a prescription drug benefit, except those pol-
26 icies in which coverage is limited to expenses from accidents or specific diseases that are unrelated
27 to the coverage required by this subsection, must include coverage for prescription drugs:

28 (a) Dispensed by a licensed practitioner at a rural health clinic for an urgent medical condition
29 if there is not a pharmacy within 15 miles of the clinic or if the prescription is dispensed for a pa-
30 tient outside of the normal business hours of any pharmacy within 15 miles of the clinic; **and**

31 (b) **Prescribed and dispensed by a licensed pharmacist if the State Board of Pharmacy**
32 **or any state law authorizes the drug to be prescribed and dispensed by pharmacists licensed**
33 **in this state.**

34 (3) **The coverage described in subsection (2)(b) of this section must include reimburse-**
35 **ment of a pharmacist's reasonable fees for consulting with a patient.**

36 [(2)] (4) The coverage required by subsection [(1)] (2) of this section is subject to the terms and
37 conditions of the prescription drug benefit provided under the policy, **which may include a condi-**
38 **tion that a pharmacist prescribing a drug under subsection (2)(b) of this section document**
39 **the patient visit and certify that the pharmacist made a reasonable attempt to inform the**
40 **patient's primary care provider of the prescription.**

41 [(3) As used in this section, "urgent medical condition" means a medical condition that arises
42 suddenly, is not life-threatening and requires prompt treatment to avoid the development of more serious
43 medical problems.]

44 (5) **This section is exempt from ORS 743A.001.**

45 **SECTION 7.** ORS 743B.425 is amended to read:

1 743B.425. (1) *[In reimbursing the cost of medication prescribed for the purpose of treating opioid*
2 *or opiate withdrawal,]* An insurer offering a health benefit plan as defined in ORS 743B.005 may
3 not:

4 (a) Require prior authorization *[of payment during]* **for:**

5 (A) The first 30 days of *[treatment]* **medication prescribed for the purpose of treating opioid**
6 **or opiate withdrawal; or**

7 (B) **Post-exposure prophylaxes antiretroviral drugs; or**

8 (b) **Restrict the reimbursement for medication-assisted treatments or drugs described in**
9 **this subsection to in-network pharmacists or pharmacies.**

10 (2) This section is not subject to ORS 743A.001.

11 (3) *[Nothing in this section shall be interpreted to]* **This section does not prohibit:**

12 (a) Prior authorization for reimbursement for payment for prescribing opioids or opiates for
13 purposes other than medical management or treatment of opioid or opiate abuse or addiction; **or**

14 (b) **Utilization review including, but not limited to, formularies or limits on quantities.**

15 **SECTION 8.** ORS 743B.001 is amended to read:

16 743B.001. As used in this section and ORS 743.008, 743.029, 743.035, 743A.190, 743B.195,
17 743B.197, 743B.200, 743B.202, 743B.204, 743B.220, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
18 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.400, 743B.403, 743B.405, 743B.420,
19 743B.422, 743B.423, 743B.424, **743B.425**, 743B.450, 743B.451, 743B.452, 743B.453, 743B.454, 743B.505,
20 743B.550 and 743B.555 and section 2, chapter 771, Oregon Laws 2013:

21 (1) "Adverse benefit determination" means an insurer's denial, reduction or termination of a
22 health care item or service, or an insurer's failure or refusal to provide or to make a payment in
23 whole or in part for a health care item or service, that is based on the insurer's:

24 (a) Denial of eligibility for or termination of enrollment in a health benefit plan;

25 (b) Rescission or cancellation of a policy or certificate;

26 (c) Imposition of a preexisting condition exclusion as defined in ORS 743B.005, source-of-injury
27 exclusion, network exclusion, annual benefit limit or other limitation on otherwise covered items or
28 services;

29 (d) Determination that a health care item or service is experimental, investigational or not
30 medically necessary, effective or appropriate;

31 (e) Determination that a course or plan of treatment that an enrollee is undergoing is an active
32 course of treatment for purposes of continuity of care under ORS 743B.225; or

33 (f) Denial, in whole or in part, of a request for prior authorization.

34 (2) "Authorized representative" means an individual who by law or by the consent of a person
35 may act on behalf of the person.

36 (3) "Credit card" has the meaning given that term in 15 U.S.C. 1602.

37 (4) "Electronic funds transfer" has the meaning given that term in ORS 293.525.

38 (5) "Enrollee" has the meaning given that term in ORS 743B.005.

39 (6) "Essential community provider" has the meaning given that term in rules adopted by the
40 Department of Consumer and Business Services consistent with the description of the term in 42
41 U.S.C. 18031 and the rules adopted by the United States Department of Health and Human Services,
42 the United States Department of the Treasury or the United States Department of Labor to carry
43 out 42 U.S.C. 18031.

44 (7) "Grievance" means:

45 (a) A communication from an enrollee or an authorized representative of an enrollee expressing

1 dissatisfaction with an adverse benefit determination, without specifically declining any right to
2 appeal or review, that is:

3 (A) In writing, for an internal appeal or an external review; or

4 (B) In writing or orally, for an expedited response described in ORS 743B.250 (2)(d) or an expe-
5 dited external review; or

6 (b) A written complaint submitted by an enrollee or an authorized representative of an enrollee
7 regarding the:

8 (A) Availability, delivery or quality of a health care service;

9 (B) Claims payment, handling or reimbursement for health care services and, unless the enrollee
10 has not submitted a request for an internal appeal, the complaint is not disputing an adverse benefit
11 determination; or

12 (C) Matters pertaining to the contractual relationship between an enrollee and an insurer.

13 (8) "Health benefit plan" has the meaning given that term in ORS 743B.005.

14 (9) "Independent practice association" means a corporation wholly owned by providers, or whose
15 membership consists entirely of providers, formed for the sole purpose of contracting with insurers
16 for the provision of health care services to enrollees, or with employers for the provision of health
17 care services to employees, or with a group, as described in ORS 731.098, to provide health care
18 services to group members.

19 (10) "Insurer" includes a health care service contractor as defined in ORS 750.005.

20 (11) "Internal appeal" means a review by an insurer of an adverse benefit determination made
21 by the insurer.

22 (12) "Managed health insurance" means any health benefit plan that:

23 (a) Requires an enrollee to use a specified network or networks of providers managed, owned,
24 under contract with or employed by the insurer in order to receive benefits under the plan, except
25 for emergency or other specified limited service; or

26 (b) In addition to the requirements of paragraph (a) of this subsection, offers a point-of-service
27 provision that allows an enrollee to use providers outside of the specified network or networks at
28 the option of the enrollee and receive a reduced level of benefits.

29 (13) "Medical services contract" means a contract between an insurer and an independent
30 practice association, between an insurer and a provider, between an independent practice associ-
31 ation and a provider or organization of providers, between medical or mental health clinics, and
32 between a medical or mental health clinic and a provider to provide medical or mental health ser-
33 vices. "Medical services contract" does not include a contract of employment or a contract creating
34 legal entities and ownership thereof that are authorized under ORS chapter 58, 60 or 70, or other
35 similar professional organizations permitted by statute.

36 (14)(a) "Preferred provider organization insurance" means any health benefit plan that:

37 (A) Specifies a preferred network of providers managed, owned or under contract with or em-
38 ployed by an insurer;

39 (B) Does not require an enrollee to use the preferred network of providers in order to receive
40 benefits under the plan; and

41 (C) Creates financial incentives for an enrollee to use the preferred network of providers by
42 providing an increased level of benefits.

43 (b) "Preferred provider organization insurance" does not mean a health benefit plan that has
44 as its sole financial incentive a hold harmless provision under which providers in the preferred
45 network agree to accept as payment in full the maximum allowable amounts that are specified in

1 the medical services contracts.

2 (15) "Prior authorization" means a determination by an insurer upon request by a provider or
3 an enrollee, prior to the provision of health care that is subject to utilization review, that the
4 insurer will provide reimbursement for the health care requested. "Prior authorization" does not
5 include referral approval for evaluation and management services between providers.

6 (16)(a) "Provider" means a person licensed, certified or otherwise authorized or permitted by
7 laws of this state to administer medical or mental health services in the ordinary course of business
8 or practice of a profession.

9 (b) With respect to the statutes governing the billing for or payment of claims, "provider" also
10 includes an employee or other designee of the provider who has the responsibility for billing claims
11 for reimbursement or receiving payments on claims.

12 (17) "Utilization review" means a set of formal techniques used by an insurer or delegated by
13 the insurer designed to monitor the use of or evaluate the medical necessity, appropriateness, effi-
14 cacy or efficiency of health care items, services, procedures or settings.

15 **SECTION 9.** ORS 743B.001, as amended by section 12, chapter 284, Oregon Laws 2019, is
16 amended to read:

17 743B.001. As used in this section and ORS 743.008, 743.029, 743.035, 743A.190, 743B.195,
18 743B.197, 743B.200, 743B.202, 743B.204, 743B.220, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
19 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.400, 743B.403, 743B.405, 743B.420,
20 743B.422, 743B.423, 743B.424, **743B.425**, 743B.450, 743B.451, 743B.452, 743B.453, 743B.454, 743B.505,
21 743B.550 and 743B.555:

22 (1) "Adverse benefit determination" means an insurer's denial, reduction or termination of a
23 health care item or service, or an insurer's failure or refusal to provide or to make a payment in
24 whole or in part for a health care item or service, that is based on the insurer's:

25 (a) Denial of eligibility for or termination of enrollment in a health benefit plan;

26 (b) Rescission or cancellation of a policy or certificate;

27 (c) Imposition of a preexisting condition exclusion as defined in ORS 743B.005, source-of-injury
28 exclusion, network exclusion, annual benefit limit or other limitation on otherwise covered items or
29 services;

30 (d) Determination that a health care item or service is experimental, investigational or not
31 medically necessary, effective or appropriate;

32 (e) Determination that a course or plan of treatment that an enrollee is undergoing is an active
33 course of treatment for purposes of continuity of care under ORS 743B.225; or

34 (f) Denial, in whole or in part, of a request for prior authorization.

35 (2) "Authorized representative" means an individual who by law or by the consent of a person
36 may act on behalf of the person.

37 (3) "Credit card" has the meaning given that term in 15 U.S.C. 1602.

38 (4) "Electronic funds transfer" has the meaning given that term in ORS 293.525.

39 (5) "Enrollee" has the meaning given that term in ORS 743B.005.

40 (6) "Essential community provider" has the meaning given that term in rules adopted by the
41 Department of Consumer and Business Services consistent with the description of the term in 42
42 U.S.C. 18031 and the rules adopted by the United States Department of Health and Human Services,
43 the United States Department of the Treasury or the United States Department of Labor to carry
44 out 42 U.S.C. 18031.

45 (7) "Grievance" means:

1 (a) A communication from an enrollee or an authorized representative of an enrollee expressing
2 dissatisfaction with an adverse benefit determination, without specifically declining any right to
3 appeal or review, that is:

4 (A) In writing, for an internal appeal or an external review; or

5 (B) In writing or orally, for an expedited response described in ORS 743B.250 (2)(d) or an expe-
6 dited external review; or

7 (b) A written complaint submitted by an enrollee or an authorized representative of an enrollee
8 regarding the:

9 (A) Availability, delivery or quality of a health care service;

10 (B) Claims payment, handling or reimbursement for health care services and, unless the enrollee
11 has not submitted a request for an internal appeal, the complaint is not disputing an adverse benefit
12 determination; or

13 (C) Matters pertaining to the contractual relationship between an enrollee and an insurer.

14 (8) "Health benefit plan" has the meaning given that term in ORS 743B.005.

15 (9) "Independent practice association" means a corporation wholly owned by providers, or whose
16 membership consists entirely of providers, formed for the sole purpose of contracting with insurers
17 for the provision of health care services to enrollees, or with employers for the provision of health
18 care services to employees, or with a group, as described in ORS 731.098, to provide health care
19 services to group members.

20 (10) "Insurer" includes a health care service contractor as defined in ORS 750.005.

21 (11) "Internal appeal" means a review by an insurer of an adverse benefit determination made
22 by the insurer.

23 (12) "Managed health insurance" means any health benefit plan that:

24 (a) Requires an enrollee to use a specified network or networks of providers managed, owned,
25 under contract with or employed by the insurer in order to receive benefits under the plan, except
26 for emergency or other specified limited service; or

27 (b) In addition to the requirements of paragraph (a) of this subsection, offers a point-of-service
28 provision that allows an enrollee to use providers outside of the specified network or networks at
29 the option of the enrollee and receive a reduced level of benefits.

30 (13) "Medical services contract" means a contract between an insurer and an independent
31 practice association, between an insurer and a provider, between an independent practice associ-
32 ation and a provider or organization of providers, between medical or mental health clinics, and
33 between a medical or mental health clinic and a provider to provide medical or mental health ser-
34 vices. "Medical services contract" does not include a contract of employment or a contract creating
35 legal entities and ownership thereof that are authorized under ORS chapter 58, 60 or 70, or other
36 similar professional organizations permitted by statute.

37 (14)(a) "Preferred provider organization insurance" means any health benefit plan that:

38 (A) Specifies a preferred network of providers managed, owned or under contract with or em-
39 ployed by an insurer;

40 (B) Does not require an enrollee to use the preferred network of providers in order to receive
41 benefits under the plan; and

42 (C) Creates financial incentives for an enrollee to use the preferred network of providers by
43 providing an increased level of benefits.

44 (b) "Preferred provider organization insurance" does not mean a health benefit plan that has
45 as its sole financial incentive a hold harmless provision under which providers in the preferred

1 network agree to accept as payment in full the maximum allowable amounts that are specified in
2 the medical services contracts.

3 (15) "Prior authorization" means a determination by an insurer upon request by a provider or
4 an enrollee, prior to the provision of health care that is subject to utilization review, that the
5 insurer will provide reimbursement for the health care requested. "Prior authorization" does not
6 include referral approval for evaluation and management services between providers.

7 (16)(a) "Provider" means a person licensed, certified or otherwise authorized or permitted by
8 laws of this state to administer medical or mental health services in the ordinary course of business
9 or practice of a profession.

10 (b) With respect to the statutes governing the billing for or payment of claims, "provider" also
11 includes an employee or other designee of the provider who has the responsibility for billing claims
12 for reimbursement or receiving payments on claims.

13 (17) "Utilization review" means a set of formal techniques used by an insurer or delegated by
14 the insurer designed to monitor the use of or evaluate the medical necessity, appropriateness, effi-
15 cacy or efficiency of health care items, services, procedures or settings.

16 **SECTION 10. The amendments to ORS 743A.064 and 743B.425 by sections 6 and 7 of this**
17 **2020 Act apply to policies and certificates issued, renewed or extended on or after January**
18 **1, 2021.**

19
20 **SENIOR EMERGENCY MEDICAL SERVICES**

21
22 **SECTION 11. (1) As used in this section:**

23 (a) "Long term care facility" has the meaning given that term in ORS 442.015.

24 (b) "Residential care facility" has the meaning given that term in ORS 443.400.

25 (c) "Senior emergency medical services" means services provided by an emergency med-
26 ical services provider, as defined in ORS 682.025, to residents of a long term care facility or
27 residential care facility.

28 (2)(a) The Senior Emergency Medical Services Innovation Program is established in the
29 Department of Human Services. The purpose of the program is to select, provide funding to
30 and monitor local public sector pilot projects that:

31 (A) Provide innovative strategies for addressing the emergency medical services needs
32 of this state's increasing number of aging residents who receive care and services in resi-
33 dential care facilities and long term care facilities;

34 (B) Encourage the efficient and appropriate use of senior emergency medical services;

35 (C) Reduce the overall costs of senior emergency medical services while promoting qual-
36 ity emergency medical services; and

37 (D) Encourage unique community-based responses to challenges faced by local commu-
38 nities in meeting their residents' needs for senior emergency medical services.

39 (b) The department shall provide funding to a pilot project described in this subsection
40 from moneys deposited in the Quality Care Fund established under ORS 443.001.

41 (3) The Senior Emergency Medical Services Advisory Council is established consisting of
42 the following eight members appointed by the Governor:

43 (a) One member representing long term care facilities;

44 (b) One member representing residential care facilities;

45 (c) One member who is a nurse or clinician in a long term care facility or a residential

1 care facility;

2 (d) One member representing an urban or suburban fire department or a city fire de-
3 partment that provides emergency medical services;

4 (e) One member representing a rural fire protection district organized under ORS chap-
5 ter 478;

6 (f) One member who enters into agreements with a public sector entity to provide
7 emergency medical services;

8 (g) One member who is a physician licensed under ORS chapter 677 or other health care
9 practitioner with expertise in emergency medical services; and

10 (h) One member representing the Oregon Health Authority who has expertise in emer-
11 gency medical services and trauma response.

12 (4) The council shall advise and make recommendations to the Department of Human
13 Services on:

14 (a) Minimum standards and data reporting requirements for pilot projects funded
15 through the program;

16 (b) The application process and timelines for the consideration of applications for funding
17 of pilot projects;

18 (c) The criteria for the selection of pilot projects to participate in the program; and

19 (d) Other factors identified by the council as likely to facilitate successful pilot projects.

20 (5) A majority of the members of the council constitutes a quorum for the transaction
21 of business.

22 (6) Official action by the council requires the approval of a majority of the members of
23 the council.

24 (7) The council shall elect one of its members to serve as chairperson.

25 (8) If there is a vacancy for any cause, the Governor shall make an appointment to be-
26 come immediately effective.

27 (9) The council shall meet at times and places specified by the call of the chairperson or
28 of a majority of the members of the council.

29 (10) The council may adopt rules necessary for the operation of the council.

30 (11) The department shall submit a report, in the manner provided in ORS 192.245, on the
31 pilot projects selected for the program, the success achieved by each pilot project in meeting
32 the goals of the program described in subsection (2) of this section and any recommendations
33 for legislative changes necessary to improve the emergency services provided throughout
34 this state.

35 (12) The department shall submit the report described in subsection (11) of this section
36 to the authority for consideration and review prior to submitting the report as described in
37 subsection (11) of this section.

38 (13) The department shall provide staff support to the council.

39 (14) Members of the council are not entitled to compensation or reimbursement for ex-
40 penses and serve as volunteers on the council.

41 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist
42 the council in the performance of the duties of the council and, to the extent permitted by
43 laws relating to confidentiality, to furnish information and advice the members of the council
44 consider necessary to perform their duties.

45 **SECTION 12.** (1) As used in this section:

1 (a) "Emergency medical services provider" has the meaning given that term in ORS
2 682.025.

3 (b) "Local government" has the meaning given that term in ORS 174.116.

4 (c) "Long term care facility" has the meaning given that term in ORS 442.015.

5 (d) "Residential care facility" has the meaning given that term in ORS 443.400.

6 (2) The governing body of a local government may not enact or enforce any charter
7 provision, ordinance, resolution or other regulation that:

8 (a) Regulates the care or services and supports provided to a patient or resident of a long
9 term care facility or residential care facility, that are subject to regulation by the Depart-
10 ment of Human Services under state or federal law, or pursuant to rules adopted by the de-
11 partment; or

12 (b) Imposes fees or other requirements that apply exclusively to long term care facilities
13 or residential care facilities and are not generally applicable to business entities operating
14 within the jurisdiction of the local government.

15 (3) Subsection (2) of this section does not apply to:

16 (a) Local government authority provided by state law, including but not limited to a local
17 public health authority; or

18 (b) Laws that impose a fine, fee, charge or sanction against long term care facilities or
19 residential care facilities that contact an emergency medical services provider to provide lift
20 assist services to a resident who has fallen and who the long term care facility or residential
21 care facility knows, or reasonably should have known, does not require the services of an
22 emergency medical services provider.

23 **SECTION 13.** ORS 443.001 is amended to read:

24 443.001. The Quality Care Fund is established in the State Treasury, separate and distinct from
25 the General Fund. Interest earned by the Quality Care Fund shall be credited to the Quality Care
26 Fund. Moneys in the fund are continuously appropriated to the Department of Human Services and
27 the Oregon Health Authority for:

28 (1) Training, technical assistance, quality improvement initiatives and licensing activities to
29 ensure that high standards for quality of care are met in accordance with rules adopted with respect
30 to:

31 [(1)] (a) A long term care facility as defined in ORS 442.015;

32 [(2)] (b) A residential facility as defined in ORS 443.400, including but not limited to an assisted
33 living facility; and

34 [(3)] (c) An adult foster home as defined in ORS 443.705[.]; and

35 **(2) Purposes of section 11 (2) of this 2020 Act.**

36 **SECTION 14.** ORS 443.001, as amended by section 13 of this 2020 Act, is amended to read:

37 443.001. The Quality Care Fund is established in the State Treasury, separate and distinct from
38 the General Fund. Interest earned by the Quality Care Fund shall be credited to the Quality Care
39 Fund. Moneys in the fund are continuously appropriated to the Department of Human Services and
40 the Oregon Health Authority for[.:

41 [(1)] training, technical assistance, quality improvement initiatives and licensing activities to
42 ensure that high standards for quality of care are met in accordance with rules adopted with respect
43 to:

44 [(a)] (1) A long term care facility as defined in ORS 442.015;

45 [(b)] (2) A residential facility as defined in ORS 443.400, including but not limited to an assisted

1 living facility; and

2 [(c)] (3) An adult foster home as defined in ORS 443.705.[]; and]

3 [(2) Purposes of section 11 (2) of this 2020 Act.]

4 **SECTION 15. The amendments to ORS 443.001 by section 14 of this 2020 Act become op-**
5 **erative on January 2, 2024.**

6 **SECTION 16. Sections 11 and 12 of this 2020 Act are repealed on January 2, 2024.**

7
8 **TASK FORCE ON UNIVERSAL HEALTH CARE**

9
10 **SECTION 17.** Section 8, chapter 629, Oregon Laws 2019, is amended to read:

11 **Sec. 8.** (1) The members of the Task Force on Universal Health Care shall be appointed no later
12 than May 31, 2020.

13 (2) No later than September 30, 2020, the Legislative Policy and Research Office shall begin
14 preparing a work plan for the task force.

15 (3)(a) **The task force shall report to the committees of the Legislative Assembly related**
16 **to health during the 2021 regular session of the Legislative Assembly on the progress in de-**
17 **veloping its findings and recommendations in accordance with section 6 (4), chapter 629,**
18 **Oregon Laws 2019, and any work that remains and the timeline for completion of the work.**

19 (b) **No later than November 1, 2021,** the task force shall submit a **final** report containing its
20 findings and recommendations [*for the design of the Health Care for All Oregon Plan and the Health*
21 *Care for All Oregon Board to the 2021 regular session of the Legislative Assembly*] **in accordance**
22 **with section 6 (4), chapter 629, Oregon Laws 2019, to the interim committees of the Legisla-**
23 **tive Assembly related to health.**

24
25 **CAPTIONS**

26
27 **SECTION 18.** The unit captions used in this 2020 Act are provided only for the conven-
28 **ience of the reader and do not become part of the statutory law of this state or express any**
29 **legislative intent in the enactment of this 2020 Act.**

30
31 **EMERGENCY CLAUSE**

32
33 **SECTION 19.** This 2020 Act being necessary for the immediate preservation of the public
34 **peace, health and safety, an emergency is declared to exist, and this 2020 Act takes effect**
35 **on its passage.**