

## HOUSE AMENDMENTS TO HOUSE BILL 4110

By COMMITTEE ON HEALTH CARE

February 17

1 On page 1 of the printed bill, delete lines 12 through 30.

2 On page 2, delete lines 1 through 24 and insert:

3 “**SECTION 3.** ORS 743.417 is amended to read:

4 “743.417. (1) **As used in this section ‘individual health benefit plan’ has the meaning given**  
5 **that term in ORS 743B.005.**

6 “[~~(1)~~] (2) [*An individual health insurance policy*] **A policy of health insurance issued to an**  
7 **individual residing in this state** shall specify a minimum grace period [*of at least 10 days after*]  
8 **following** the premium due date for the payment of each premium falling due after the first premium,  
9 during which grace period the policy shall continue in force. **Unless a longer grace period is**  
10 **provided by federal law, the grace period must be at least:**

11 “(a) **Ten days for a policy other than an individual health benefit plan; and**

12 “(b) **Thirty days for an individual health benefit plan.**

13 “[~~(2)~~] (3) A policy that contains a cancellation provision may add the following clause, **or an**  
14 **equivalent clause approved by the Department of Consumer and Business Services**, at the end  
15 of the provision described in subsection [~~(1)~~] (2) of this section: ‘subject to the right of the insurer  
16 to cancel in accordance with the cancellation provision hereof.’

17 “[~~(3)~~] (4) A policy in which the insurer reserves the right to refuse renewal shall have the fol-  
18 lowing clause, **or an equivalent clause approved by the department**, at the beginning of the  
19 provision described in subsection [~~(1)~~] (2) of this section: ‘Unless not less than 30 days prior to the  
20 premium due date the insurer has delivered to the insured or has mailed to the last address of the  
21 insured as shown by the records of the insurer written notice of its intention not to renew this  
22 policy beyond the period for which the premium has been accepted. The insurer shall state in the  
23 notice the reason for its refusal to renew this policy.’

24 “(5) **Subsections (3) and (4) of this section may not be construed to permit the cancella-**  
25 **tion of or refusal to renew a policy if a cancellation or refusal to renew is otherwise pro-**  
26 **hibited by the Insurance Code or rules adopted by the department to carry out the provisions**  
27 **of the Insurance Code.**

28 “**SECTION 4.** ORS 743B.323 is amended to read:

29 “743B.323. (1) **As used in this section, ‘health benefit plan’ has the meaning given that**  
30 **term in ORS 743B.005.**

31 “(2) Before a health insurer selling an individual policy or group health benefit plan[, *as defined*  
32 *in ORS 743B.005,*] may cancel a policy for nonpayment of premium, the insurer must mail a separate  
33 notice to the policyholder [*at least 10 days prior to the end of the grace period*] informing the  
34 policyholder that the premium was not received and that the policy will be terminated as of the  
35 premium due date if the premium is not received by the end of the applicable grace period required

1 by ORS 743.417 and 743B.320.

2 “(3) The notice **described in subsection (2) of this section** shall be in writing and mailed by  
3 first class mail to the last-known address of the policyholder[.] **at least:**

4 “(a) **Ten days prior to the end of the grace period specified in ORS 743.417 (2)(a) and**  
5 **743B.320; or**

6 “(b) **Fifteen days prior to the end of the grace period specified in ORS 743.417 (2)(b).**

7 “(4) **The Department of Consumer and Business Services may prescribe by rule the in-**  
8 **formation that must be contained in the notice required by subsection (2) of this section.”.**

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