

Requested by Representative HOLVEY

**PROPOSED AMENDMENTS TO
HOUSE BILL 4110**

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’**
5 **has the meaning given that term in ORS 743B.005.**

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

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

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

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

21 **“[(3)] (4) A policy in which the insurer reserves the right to refuse re-**

1 newal shall have the following clause, **or an equivalent clause approved**
2 **by the department**, at the beginning of the provision described in sub-
3 section [(1)] (2) of this section: ‘Unless not less than 30 days prior to the
4 premium due date the insurer has delivered to the insured or has mailed to
5 the last address of the insured as shown by the records of the insurer written
6 notice of its intention not to renew this policy beyond the period for which
7 the premium has been accepted. The insurer shall state in the notice the
8 reason for its refusal to renew this policy.’

9 “(5) Subsections (3) and (4) of this section may not be construed to
10 permit the cancellation of or refusal to renew a policy if a cancellation
11 or refusal to renew is otherwise prohibited by the Insurance Code or
12 rules adopted by the department to carry out the provisions of the
13 Insurance Code.

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

15 “743B.323. (1) **As used in this section, ‘health benefit plan’ has the**
16 **meaning given that term in ORS 743B.005.**

17 “(2) Before a health insurer selling an individual policy or group health
18 benefit plan[, *as defined in ORS 743B.005,*] may cancel a policy for nonpay-
19 ment of premium, the insurer must mail a separate notice to the policyholder
20 [*at least 10 days prior to the end of the grace period*] informing the
21 policyholder that the premium was not received and that the policy will be
22 terminated as of the premium due date if the premium is not received by the
23 end of the applicable grace period required by ORS 743.417 and 743B.320.

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

27 “(a) **Ten days prior to the end of the grace period specified in ORS**
28 **743.417 (2)(a) and 743B.320; or**

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

