

# D R A F T

## SUMMARY

Modifies charge imposed on insurers offering certain dental plans outside of health insurance exchange.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

Relating to insurers offering dental plans outside of the health insurance exchange; amending ORS 741.105 and 741.222; and declaring an emergency.

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

**SECTION 1.** ORS 741.105 is amended to read:

741.105. *[(1) The Oregon Health Authority shall establish, by rule, an administrative charge. The authority shall impose and collect the charge from all insurers participating in the health insurance exchange or offering a health plan certified by the authority and state programs participating in the health insurance exchange. The Health Insurance Exchange Advisory Committee shall advise the authority in establishing the administrative charge. The charge must be in an amount sufficient to cover the costs of grants to navigators, in-person assisters and application counselors certified under ORS 741.002 and to pay the administrative and operational expenses of the authority in carrying out ORS 741.001 to 741.540. The charge shall be paid in a manner and at intervals prescribed by the authority.]*

**(1) The Oregon Health Authority shall establish, by rule, administrative charges meeting the requirements of this section, to be paid in a manner and at intervals prescribed by the authority. The authority shall impose and collect the charges from:**

1 (a) All insurers participating in the health insurance exchange and  
2 offering a qualified health plan certified by the authority;

3 (b) State programs participating in the health insurance exchange;  
4 and

5 (c) All insurers that do not participate in the health insurance ex-  
6 change and that offer dental plans certified by the authority as meet-  
7 ing the requirements for pediatric oral services under 42 U.S.C.  
8 18022(b)(1)(J).

9 (2) The Health Insurance Exchange Advisory Committee shall ad-  
10 vise the authority in establishing the administrative charges. The  
11 charges must be in amounts sufficient to:

12 (a) Pay the administrative and operational expenses of the author-  
13 ity in carrying out ORS 741.001 to 741.540; and

14 (b) For the charges imposed under subsection (1)(a) and (b) of this  
15 section, cover the costs of grants to in-person assisters, application  
16 counselors and navigators certified under ORS 741.002.

17 [(2)(a)] (3)(a) [*Each insurer's charge*] The charge for each insurer de-  
18 scribed in subsection (1)(a) of this section shall be based on the number  
19 of individuals[, *excluding individuals enrolled in state programs,*] who are  
20 enrolled in **qualified** health plans:

21 (A) Offered by the insurer through the exchange; and

22 (B) Certified by the authority.

23 (b) The charge to each state program shall be based on the number of  
24 individuals enrolled in state programs offered through the exchange.

25 [(3)] (4) The charge imposed under **subsection (3) of** this section may not  
26 exceed:

27 (a) Five percent of the premium or other monthly charge for each enrollee  
28 if the number of enrollees receiving coverage through the exchange is at or  
29 below 175,000;

30 (b) Four percent of the premium or other monthly charge for each  
31 enrollee if the number of enrollees receiving coverage through the exchange

1 is above 175,000 and at or below 300,000; and

2 (c) Three percent of the premium or other monthly charge for each  
3 enrollee if the number of enrollees receiving coverage through the exchange  
4 is above 300,000.

5 [(4)(a)] **(5)(a)** If charges collected under subsection (1) of this section ex-  
6 ceed the amounts needed for the administrative and operational expenses of  
7 the authority in administering the health insurance exchange, the excess  
8 moneys collected may be held and used by the authority to offset future net  
9 losses.

10 (b) The maximum amount of excess moneys that may be held [*under this*  
11 *subsection*] **from insurers and state programs described in subsection**  
12 **(1)(a) and (b) of this section** is the total costs and expenses described in  
13 subsection [(1)] **(2)** of this section anticipated by the authority for a six-  
14 month period. Any moneys received that exceed the maximum shall be ap-  
15 plied by the authority to reduce the charges imposed by this section **on**  
16 **insurers and state programs described in subsection (1)(a) and (b) of**  
17 **this section.**

18 [(5)] **(6)** Charges **under subsection (1)(a) and (b) of this section** shall  
19 be based on annual statements and other reports submitted by insurers and  
20 state programs as prescribed by the authority.

21 [(6)] **(7)** In addition to charges imposed under subsection (1) of this sec-  
22 tion, to the extent permitted by federal law the authority may impose a fee  
23 on insurers and state programs participating in the exchange to cover the  
24 cost of commissions of insurance producers that are certified by the author-  
25 ity or by the United States Department of Health and Human Services to  
26 facilitate the participation of individuals and employers in the exchange.

27 [(7)(a)] **(8)(a)** The authority shall establish and amend the charges and  
28 fees under this section in accordance with ORS 183.310 to 183.410.

29 (b) If the authority intends to increase an administrative charge or fee,  
30 the notice of intended action required by ORS 183.335 shall be sent, if the  
31 Legislative Assembly is not in session, to the interim committees of the

1 Legislative Assembly related to health, to the Joint Interim Committee on  
2 Ways and Means and to each member of the Legislative Assembly. The Di-  
3 rector of the Oregon Health Authority shall appear at the next meetings of  
4 the interim committees of the Legislative Assembly related to health and the  
5 next meetings of the Joint Interim Committee on Ways and Means that occur  
6 after the notice of intended action is sent and fully explain the basis and  
7 rationale for the proposed increase in the administrative charges or fees.

8 (c) If the Legislative Assembly is in session, the authority shall give the  
9 notice of intended action to the committees of the Legislative Assembly re-  
10 lated to health and to the Joint Committee on Ways and Means and shall  
11 appear before the committees to fully explain the basis and rationale for the  
12 proposed increase in administrative charges or fees.

13 [(8)] (9) All charges and fees collected under this section shall be depos-  
14 ited in the Health Insurance Exchange Fund.

15 **SECTION 2.** ORS 741.222 is amended to read:

16 741.222. (1) The Director of the Oregon Health Authority shall report to  
17 the Legislative Assembly each year on:

18 (a) The financial condition of the health insurance exchange, including  
19 actual and projected revenues and expenses of the administrative operations  
20 of the exchange and commissions paid to insurance producers out of fees  
21 collected under ORS 741.105 [(6)] (7);

22 (b) The implementation of the Small Business Health Options Program;

23 (c) The development of the information technology system for the ex-  
24 change; and

25 (d) Any other information requested by the leadership of the Legislative  
26 Assembly.

27 (2) The director shall provide to the Legislative Assembly, the Governor  
28 and the Oregon Health Policy Board, not later than April 15 of each year:

29 (a) A report covering the activities and operations of the authority in  
30 administering the health insurance exchange during the previous year of  
31 operations;

1 (b) A statement of the financial condition, as of December 31 of the pre-  
2 vious year, of the Health Insurance Exchange Fund; and

3 (c) Recommendations, if any, for additional groups to be eligible to pur-  
4 chase qualified health plans through the exchange under ORS 741.310.

5 **SECTION 3. This 2023 Act being necessary for the immediate pres-**  
6 **ervation of the public peace, health and safety, an emergency is de-**  
7 **clared to exist, and this 2023 Act takes effect on its passage.**

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