

House Bill 2970

Sponsored by Representative NOSSE

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 **as introduced**.

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, 2025.

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, 2025.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to health care; creating new provisions; amending ORS 443.001, 676.630, 676.635, 690.005, 690.015, 743A.064, 743B.001 and 743B.425; and declaring an emergency.

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

ESTHETICS

SECTION 1. ORS 676.630 is amended to read:

676.630. As used in ORS 676.630 to 676.660:

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

- (a) Skin rejuvenation;
- (b) Photo rejuvenation;
- (c) Body contouring;
- (d) Dyschromia reduction;
- (e) Cellulite reduction;
- (f) Hair removal or reduction; and
- (g) Nonablative tattoo removal.

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

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 **(3) “Device” has the meaning given that term by the Board of Certified Advanced**
2 **Estheticians by rule.**

3 [(3)] (4) “Esthetician” means a person certified to practice esthetics under ORS 690.005 to
4 690.225.

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

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

8 676.635. (1) A person may not practice advanced nonablative esthetics procedures or use a title,
9 word or abbreviation, including the designation certified advanced esthetician, that indicates that
10 the person is authorized to practice advanced nonablative esthetics procedures unless the person is
11 certified by the Board of Certified Advanced Estheticians under ORS 676.640.

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

14 (3) This section does not apply to:

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

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

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

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

23 690.005. As used in ORS 690.005 to 690.225:

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

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

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

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

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

32 (2) “Certificate” means a written authorization for the holder to perform in one or more fields
33 of practice.

34 (3) “Cosmetology” means the art or science of beautifying and improving the skin, nails and hair
35 and the study of cosmetics and their application.

36 (4) “Demonstration permit” means a written authorization for a person to practice, demonstrate
37 and teach one or more fields of practice on a temporary basis.

38 (5) “Esthetics” means any of the following skin care or facial care practices performed on the
39 human body or face for the purpose of keeping the skin of the human body or face healthy and at-
40 tractive and not for medical diagnosis or treatment of disease or physical or mental ailments:

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

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

45 (c) Makeup artistry.

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

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

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

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

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

7 (a) Barbering.

8 (b) Esthetics.

9 (c) Hair design.

10 (d) Nail technology.

11 (e) Natural hair care.

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

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

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

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

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

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

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

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

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

32 [(12)] (13) "Nail technology" means any of the following manicuring or pedicuring practices
33 performed for cosmetic purposes and not for medical diagnosis or treatment of disease or physical
34 or mental ailments:

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

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

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

40 [(13)(a)] (14)(a) "Natural hair care" means:

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

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

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

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

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

8 [(14)] (15) “Practitioner” means a person certified to perform services included within a field of
 9 practice.

10 [(15)] (16) “Registration” means a written authorization issued to an independent contractor to
 11 hold forth to the public as a business entity providing services in a field of practice.

12 [(16)] (17) “School” means an educational establishment that has a license issued by the De-
 13 partment of Education and is operated for the purpose of teaching one or more fields of practice.
 14 For purposes of this subsection, “field of practice” does not include natural hair care.

15 [(17)] (18) “Temporary facility permit” means a written authorization issued under ORS 690.055
 16 to provide services on a temporary basis in one or more fields of practice.

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

18 690.015. (1) This section establishes prohibitions relating to the practice of hair design, barber-
 19 ing, esthetics, nail technology and natural hair care. The prohibitions under this section are subject
 20 to the exemptions under ORS 690.025. A person who commits an act prohibited under this section
 21 is subject to the penalties under ORS 690.992 in addition to any administrative action taken by or
 22 any civil penalty imposed by the Health Licensing Office under ORS 676.612.

23 (2) A person may not:

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

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

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

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

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

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

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

37 **(g) Use a mechanical or electrical apparatus, appliance or device or other technique be-**
 38 **yond the epidermis if the person is certified to practice esthetics under ORS 690.048, unless**
 39 **otherwise authorized by the office by rule.**

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

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

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

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

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

5 **(2) The Board of Certified Advanced Estheticians, the Board of Cosmetology and the**
 6 **Health Licensing Office may take any action before the operative date specified in subsection**
 7 **(1) of this section that is necessary to enable the boards or the office to exercise, on and**
 8 **after the operative date specified in subsection (1) of this section, all of the duties, functions**
 9 **and powers conferred on the boards or the office by the amendments to ORS 676.630, 676.635,**
 10 **690.005 and 690.015 by sections 1 to 4 of this 2021 Act.**

11
 12 **PRESCRIPTION DRUG COVERAGE**

13
 14 **SECTION 6.** ORS 743A.064 is amended to read:

15 743A.064. (1) **As used in this section, “urgent medical condition” means a medical condi-**
 16 **tion that arises suddenly, is not life-threatening and requires prompt treatment to avoid the**
 17 **development of more serious medical problems.**

18 [(1)] (2) All health insurance policies that provide a prescription drug benefit, except those pol-
 19 icies in which coverage is limited to expenses from accidents or specific diseases that are unrelated
 20 to the coverage required by this subsection, must include coverage for prescription drugs:

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

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

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

29 [(2)] (4) The coverage required by subsection [(1)] (2) of this section is subject to the terms and
 30 conditions of the prescription drug benefit provided under the policy, **which may include a condi-**
 31 **tion that a pharmacist prescribing a drug under subsection (2)(b) of this section document**
 32 **the patient visit and certify that the pharmacist made a reasonable attempt to inform the**
 33 **patient’s primary care provider of the prescription.**

34 [(3) *As used in this section, “urgent medical condition” means a medical condition that arises*
 35 *suddenly, is not life-threatening and requires prompt treatment to avoid the development of more serious*
 36 *medical problems.*]

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

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

39 743B.425. (1) [*In reimbursing the cost of medication prescribed for the purpose of treating opioid*
 40 *or opiate withdrawal,*] An insurer offering a health benefit plan as defined in ORS 743B.005 may
 41 not:

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

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

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

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

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

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

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

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

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

9 743B.001. As used in this section and ORS 743.008, 743.029, 743.035, 743A.190, 743B.195,
10 743B.197, 743B.200, 743B.202, 743B.204, 743B.220, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
11 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.400, 743B.403, 743B.405, 743B.420,
12 743B.422, 743B.423, 743B.424, **743B.425**, 743B.450, 743B.451, 743B.452, 743B.453, 743B.454, 743B.505,
13 743B.550 and 743B.555 and section 2, chapter 771, Oregon Laws 2013:

14 (1) “Adverse benefit determination” means an insurer’s denial, reduction or termination of a
15 health care item or service, or an insurer’s failure or refusal to provide or to make a payment in
16 whole or in part for a health care item or service, that is based on the insurer’s:

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

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

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

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

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

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

27 (2) “Authorized representative” means an individual who by law or by the consent of a person
28 may act on behalf of the person.

29 (3) “Credit card” has the meaning given that term in 15 U.S.C. 1602.

30 (4) “Electronic funds transfer” has the meaning given that term in ORS 293.525.

31 (5) “Enrollee” has the meaning given that term in ORS 743B.005.

32 (6) “Essential community provider” has the meaning given that term in rules adopted by the
33 Department of Consumer and Business Services consistent with the description of the term in 42
34 U.S.C. 18031 and the rules adopted by the United States Department of Health and Human Services,
35 the United States Department of the Treasury or the United States Department of Labor to carry
36 out 42 U.S.C. 18031.

37 (7) “Grievance” means:

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

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

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

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

- 1 (A) Availability, delivery or quality of a health care service;
- 2 (B) Claims payment, handling or reimbursement for health care services and, unless the enrollee
3 has not submitted a request for an internal appeal, the complaint is not disputing an adverse benefit
4 determination; or
- 5 (C) Matters pertaining to the contractual relationship between an enrollee and an insurer.
- 6 (8) “Health benefit plan” has the meaning given that term in ORS 743B.005.
- 7 (9) “Independent practice association” means a corporation wholly owned by providers, or whose
8 membership consists entirely of providers, formed for the sole purpose of contracting with insurers
9 for the provision of health care services to enrollees, or with employers for the provision of health
10 care services to employees, or with a group, as described in ORS 731.098, to provide health care
11 services to group members.
- 12 (10) “Insurer” includes a health care service contractor as defined in ORS 750.005.
- 13 (11) “Internal appeal” means a review by an insurer of an adverse benefit determination made
14 by the insurer.
- 15 (12) “Managed health insurance” means any health benefit plan that:
- 16 (a) Requires an enrollee to use a specified network or networks of providers managed, owned,
17 under contract with or employed by the insurer in order to receive benefits under the plan, except
18 for emergency or other specified limited service; or
- 19 (b) In addition to the requirements of paragraph (a) of this subsection, offers a point-of-service
20 provision that allows an enrollee to use providers outside of the specified network or networks at
21 the option of the enrollee and receive a reduced level of benefits.
- 22 (13) “Medical services contract” means a contract between an insurer and an independent
23 practice association, between an insurer and a provider, between an independent practice associ-
24 ation and a provider or organization of providers, between medical or mental health clinics, and
25 between a medical or mental health clinic and a provider to provide medical or mental health ser-
26 vices. “Medical services contract” does not include a contract of employment or a contract creating
27 legal entities and ownership thereof that are authorized under ORS chapter 58, 60 or 70, or other
28 similar professional organizations permitted by statute.
- 29 (14)(a) “Preferred provider organization insurance” means any health benefit plan that:
- 30 (A) Specifies a preferred network of providers managed, owned or under contract with or em-
31 ployed by an insurer;
- 32 (B) Does not require an enrollee to use the preferred network of providers in order to receive
33 benefits under the plan; and
- 34 (C) Creates financial incentives for an enrollee to use the preferred network of providers by
35 providing an increased level of benefits.
- 36 (b) “Preferred provider organization insurance” does not mean a health benefit plan that has
37 as its sole financial incentive a hold harmless provision under which providers in the preferred
38 network agree to accept as payment in full the maximum allowable amounts that are specified in
39 the medical services contracts.
- 40 (15) “Prior authorization” means a determination by an insurer upon request by a provider or
41 an enrollee, prior to the provision of health care that is subject to utilization review, that the
42 insurer will provide reimbursement for the health care requested. “Prior authorization” does not
43 include referral approval for evaluation and management services between providers.
- 44 (16)(a) “Provider” means a person licensed, certified or otherwise authorized or permitted by
45 laws of this state to administer medical or mental health services in the ordinary course of business

1 or practice of a profession.

2 (b) With respect to the statutes governing the billing for or payment of claims, “provider” also
 3 includes an employee or other designee of the provider who has the responsibility for billing claims
 4 for reimbursement or receiving payments on claims.

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

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

10 743B.001. As used in this section and ORS 743.008, 743.029, 743.035, 743A.190, 743B.195,
 11 743B.197, 743B.200, 743B.202, 743B.204, 743B.220, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
 12 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.400, 743B.403, 743B.405, 743B.420,
 13 743B.422, 743B.423, 743B.424, **743B.425**, 743B.450, 743B.451, 743B.452, 743B.453, 743B.454, 743B.505,
 14 743B.550 and 743B.555:

15 (1) “Adverse benefit determination” means an insurer’s denial, reduction or termination of a
 16 health care item or service, or an insurer’s failure or refusal to provide or to make a payment in
 17 whole or in part for a health care item or service, that is based on the insurer’s:

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

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

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

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

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

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

28 (2) “Authorized representative” means an individual who by law or by the consent of a person
 29 may act on behalf of the person.

30 (3) “Credit card” has the meaning given that term in 15 U.S.C. 1602.

31 (4) “Electronic funds transfer” has the meaning given that term in ORS 293.525.

32 (5) “Enrollee” has the meaning given that term in ORS 743B.005.

33 (6) “Essential community provider” has the meaning given that term in rules adopted by the
 34 Department of Consumer and Business Services consistent with the description of the term in 42
 35 U.S.C. 18031 and the rules adopted by the United States Department of Health and Human Services,
 36 the United States Department of the Treasury or the United States Department of Labor to carry
 37 out 42 U.S.C. 18031.

38 (7) “Grievance” means:

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

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

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

45 (b) A written complaint submitted by an enrollee or an authorized representative of an enrollee

1 regarding the:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

37 (b) "Preferred provider organization insurance" does not mean a health benefit plan that has
38 as its sole financial incentive a hold harmless provision under which providers in the preferred
39 network agree to accept as payment in full the maximum allowable amounts that are specified in
40 the medical services contracts.

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

45 (16)(a) "Provider" means a person licensed, certified or otherwise authorized or permitted by

1 laws of this state to administer medical or mental health services in the ordinary course of business
 2 or practice of a profession.

3 (b) With respect to the statutes governing the billing for or payment of claims, “provider” also
 4 includes an employee or other designee of the provider who has the responsibility for billing claims
 5 for reimbursement or receiving payments on claims.

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

9 **SECTION 10. The amendments to ORS 743A.064 and 743B.425 by sections 6 and 7 of this**
 10 **2021 Act apply to policies and certificates issued, renewed or extended on or after January**
 11 **1, 2022.**

12
 13 **SENIOR EMERGENCY MEDICAL SERVICES**

14
 15 **SECTION 11. (1) As used in this section:**

16 (a) “Long term care facility” has the meaning given that term in ORS 442.015.

17 (b) “Residential care facility” has the meaning given that term in ORS 443.400.

18 (c) “Senior emergency medical services” means services provided by an emergency med-
 19 ical services provider, as defined in ORS 682.025, to residents of a long term care facility or
 20 residential care facility.

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

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

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

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

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

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

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

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

37 (b) One member representing residential care facilities;

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

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

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

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

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

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

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

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

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

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

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

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

15 (6) Official action by the council requires the approval of a majority of the members of
16 the council.

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

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

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

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

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

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

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

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

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

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

39 (a) "Emergency medical services provider" has the meaning given that term in ORS
40 682.025.

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

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

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

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

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

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

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

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

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

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

17 443.001. The Quality Care Fund is established in the State Treasury, separate and distinct from
18 the General Fund. Interest earned by the Quality Care Fund shall be credited to the Quality Care
19 Fund. Moneys in the fund are continuously appropriated to the Department of Human Services and
20 the Oregon Health Authority for:

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

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

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

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

28 **(2) Purposes of section 11 (2) of this 2021 Act.**

29 **SECTION 14.** ORS 443.001, as amended by section 13 of this 2021 Act, is amended to read:

30 443.001. The Quality Care Fund is established in the State Treasury, separate and distinct from
31 the General Fund. Interest earned by the Quality Care Fund shall be credited to the Quality Care
32 Fund. Moneys in the fund are continuously appropriated to the Department of Human Services and
33 the Oregon Health Authority for[.]

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

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

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

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

41 [(2) Purposes of section 11 (2) of this 2021 Act.]

42 **SECTION 15.** **The amendments to ORS 443.001 by section 14 of this 2021 Act become op-**
43 **erative on January 2, 2025.**

44 **SECTION 16.** **Sections 11 and 12 of this 2021 Act are repealed on January 2, 2025.**

CAPTIONS

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SECTION 17. The unit captions used in this 2021 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2021 Act.

EMERGENCY CLAUSE

SECTION 18. This 2021 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage.
