

HB 4134 A STAFF MEASURE SUMMARY**Carrier:** Rep. Stark**House Committee On Health Care****Action Date:** 02/14/22**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 10-0-0-0**Yeas:** 10 - Alonso Leon, Campos, Dexter, Hayden, Moore-Green, Noble, Prusak, Salinas, Schouten, Weber**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Brian Nieubuurt, LPRO Analyst**Meeting Dates:** 2/2, 2/14**WHAT THE MEASURE DOES:**

Specifies reimbursement to be paid by health benefit plan when labor and delivery services are provided by out-of-network provider solely due to diversion of patient for reason related to state or federal declaration of public health emergency. Prohibits health benefit plan from cost-sharing that exceeds amounts applicable to in-network providers. Requires plans offered by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB) to comply with labor and delivery reimbursement requirements. Clarifies emergency and labor and delivery services are required to be covered by insurers without prior authorization. Prohibits out-of-network provider from billing insured individual for labor and delivery services if services are provided by the out-of-network provider due solely to the diversion of the individual from an in-network provider during a state or federally declared public health emergency. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Rerouting of health care due to COVID-19 public health emergency
- Federal No Surprises Act
- Definition of "labor"
- Financial impact of receiving services out-of-network

EFFECT OF AMENDMENT:

Clarifies reimbursement requirements to align with federal No Surprises Act or method adopted by Department of Consumer and Business Services and prohibit imposition of cost-sharing that exceeds amounts applicable to in-network providers. Applies reimbursement requirements to plans offered by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB). Clarifies emergency and labor and delivery services, including transport, required to be covered by insurers without prior authorization. Prohibits out-of-network provider from billing insured individual for labor and delivery services if services are provided by the out-of-network provider due solely to the diversion of the individual from an in-network provider during a state or federally declared public health emergency.

BACKGROUND:

Health insurance companies often contract with hospitals, doctors, pharmacies, and other health care providers to deliver medical services for an agreed-upon rate, making up the insurer's network. Services received by providers not in the insurer's network often have higher beneficiary cost-sharing when covered by the insurer. Staff shortages and other capacity issues during the COVID-19 pandemic caused many hospitals to divert care to other facilities. This diversion can cause an insured individual to receive care from a provider that is outside of their insurer's network, resulting in increased cost-sharing for the individual.

HB 4134 A STAFF MEASURE SUMMARY

House Bill 4134 A specifies insurer reimbursement of out-of-network labor and delivery services if the services were provided out-of-network solely due to the diversion of the patient for a reason related to a public health emergency declaration.