



SB 1046 Network Adequacy

Presenters:

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Department of Consumer
and Business Services

Governor Kotek's Priorities

Build more housing
and reduce
homelessness

Improve access to
mental health and
addiction services

Ensure Oregon's children
are better served by
early literacy, child care,
and K-12 investments

Network Adequacy & Gov. Kotek's Priorities

- Health insurance provider networks are a key component of access to care for Oregonians, including mental health and addiction services
- SB 1046 is intended to improve access across the board, but is particularly critical in addressing Oregon's behavioral health access challenges
- Robust provider networks also contribute to strengthening Oregon's health care and behavioral health workforce, and advancing health equity

Background

- Network adequacy refers to the ability of a health plan to provide enrollees with timely access to a sufficient number of in-network providers.
- Oregon law (ORS 743B.505) establishes minimum standards for provider networks.
- The law requires in-network providers sufficient in number, geographic distribution, and provider types to ensure that all covered services are accessible without unreasonable delay.

Policy

SB 1046 expands and strengthens network adequacy protections for Oregonians who receive coverage in the commercial marketplace by:

1. Applying the network adequacy statute to large group health benefit plans
 - Large group plans insure the majority of those receiving commercial coverage in Oregon, with approximately 635,000 residents insured in this market.
2. Advancing health equity in network access
 - SB 1046 requires covered services to be made accessible in an appropriate and culturally competent manner to all enrollees, including those with diverse cultural and ethnic backgrounds, varying sexual orientations and gender identities, disabilities or physical or mental health conditions

Policy

3. Access to reproductive health services

- SB 1046 explicitly adds reproductive health services to the services that must be made accessible to all enrollees to clarify that this will be a focus of the department's network adequacy oversight.

4. Provide the department with authority to set quantitative network adequacy standards

- Beginning this year, the federal government is taking a more active role in the review of qualified health plan networks, unless the state enforces network adequacy standards at least as stringent as the federal standards. To maintain primary network adequacy enforcement at the state level, Oregon must strengthen its existing standards to include quantitative time and distance standards.

Policy

5. Removing an outdated provision from ORS 743B.505

- State law currently provides insurers the option to use a “factor-based approach” to demonstrate network adequacy compliance. This option is not being used by carriers in practice and is not aligned with the department’s intended approach to network adequacy oversight.

-1 Amendment

- Allows consideration of telemedicine in network adequacy
 - Current law does not permit this, which prevents the department from exercising effective oversight in this area.
 - Consideration of telemedicine would be subject to conditions and sideboards specified in rule.
 - The intent of this provision is to ensure adequate access to needed in-person and telemedicine services, and provide consumers with choice in health care access.
 - The intent is not to substitute in-person services for telemedicine or vice versa, or to limit consumer choice.
- Technical clarifications to other sections

Questions?

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