

House Bill 2044

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Health Care for Representative Rob 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**.

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

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to insurers offering dental plans outside of the health insurance exchange; amending ORS
3 741.105 and 741.222; and declaring an emergency.

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

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

6 741.105. *[(1) The Oregon Health Authority shall establish, by rule, an administrative charge. The*
7 *authority shall impose and collect the charge from all insurers participating in the health insurance*
8 *exchange or offering a health plan certified by the authority and state programs participating in the*
9 *health insurance exchange. The Health Insurance Exchange Advisory Committee shall advise the au-*
10 *thority in establishing the administrative charge. The charge must be in an amount sufficient to cover*
11 *the costs of grants to navigators, in-person assisters and application counselors certified under ORS*
12 *741.002 and to pay the administrative and operational expenses of the authority in carrying out ORS*
13 *741.001 to 741.540. The charge shall be paid in a manner and at intervals prescribed by the*
14 *authority.]*

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

18 **(a) All insurers participating in the health insurance exchange and offering a qualified**
19 **health plan certified by the authority;**

20 **(b) State programs participating in the health insurance exchange; and**

21 **(c) All insurers that do not participate in the health insurance exchange and that offer**
22 **dental plans certified by the authority as meeting the requirements for pediatric oral ser-**
23 **vices under 42 U.S.C. 18022(b)(1)(J).**

24 **(2) The Health Insurance Exchange Advisory Committee shall advise the authority in**
25 **establishing the administrative charges. The charges must be in amounts sufficient to:**

26 **(a) Pay the administrative and operational expenses of the authority in carrying out ORS**
27 **741.001 to 741.540; and**

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

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

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

5 (B) Certified by the authority.

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

8 [(3)] **(4)** The charge imposed under **subsection (3) of this section** may not exceed:

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

11 (b) Four percent of the premium or other monthly charge for each enrollee if the number of
 12 enrollees receiving coverage through the exchange is above 175,000 and at or below 300,000; and

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

15 [(4)(a)] **(5)(a)** If charges collected under subsection (1) of this section exceed the amounts needed
 16 for the administrative and operational expenses of the authority in administering the health insur-
 17 ance exchange, the excess moneys collected may be held and used by the authority to offset future
 18 net losses.

19 (b) The maximum amount of excess moneys that may be held *[under this subsection]* **from**
 20 **insurers and state programs described in subsection (1)(a) and (b) of this section** is the total
 21 costs and expenses described in subsection [(1)] **(2)** of this section anticipated by the authority for
 22 a six-month period. Any moneys received that exceed the maximum shall be applied by the authority
 23 to reduce the charges imposed by this section **on insurers and state programs described in**
 24 **subsection (1)(a) and (b) of this section.**

25 [(5)] **(6)** Charges **under subsection (1)(a) and (b) of this section** shall be based on annual
 26 statements and other reports submitted by insurers and state programs as prescribed by the au-
 27 thority.

28 [(6)] **(7)** In addition to charges imposed under subsection (1) of this section, to the extent per-
 29 mitted by federal law the authority may impose a fee on insurers and state programs participating
 30 in the exchange to cover the cost of commissions of insurance producers that are certified by the
 31 authority or by the United States Department of Health and Human Services to facilitate the par-
 32 ticipation of individuals and employers in the exchange.

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

35 (b) If the authority intends to increase an administrative charge or fee, the notice of intended
 36 action required by ORS 183.335 shall be sent, if the Legislative Assembly is not in session, to the
 37 interim committees of the Legislative Assembly related to health, to the Joint Interim Committee
 38 on Ways and Means and to each member of the Legislative Assembly. The Director of the Oregon
 39 Health Authority shall appear at the next meetings of the interim committees of the Legislative
 40 Assembly related to health and the next meetings of the Joint Interim Committee on Ways and
 41 Means that occur after the notice of intended action is sent and fully explain the basis and rationale
 42 for the proposed increase in the administrative charges or fees.

43 (c) If the Legislative Assembly is in session, the authority shall give the notice of intended
 44 action to the committees of the Legislative Assembly related to health and to the Joint Committee
 45 on Ways and Means and shall appear before the committees to fully explain the basis and rationale

1 for the proposed increase in administrative charges or fees.

2 [(8)] (9) All charges and fees collected under this section shall be deposited in the Health In-
3 surance Exchange Fund.

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

5 741.222. (1) The Director of the Oregon Health Authority shall report to the Legislative As-
6 sembly each year on:

7 (a) The financial condition of the health insurance exchange, including actual and projected re-
8 venues and expenses of the administrative operations of the exchange and commissions paid to in-
9 surance producers out of fees collected under ORS 741.105 [(6)] (7);

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

11 (c) The development of the information technology system for the exchange; and

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

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

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

17 (b) A statement of the financial condition, as of December 31 of the previous year, of the Health
18 Insurance Exchange Fund; and

19 (c) Recommendations, if any, for additional groups to be eligible to purchase qualified health
20 plans through the exchange under ORS 741.310.

21 **SECTION 3. This 2023 Act being necessary for the immediate preservation of the public**
22 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
23 **on its passage.**

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