

A-Engrossed
House Bill 3157

Ordered by the House April 7
Including House Amendments dated April 7

Sponsored by Representative NOSSE, Senator HAYDEN; Representatives DEXTER, JAVADI, PHAM H, PHAM K,
Senators KNOPP, PATTERSON

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.

Establishes Health Insurance Mandate Review Advisory Committee to review *[each]*, **at request of chair or vice chair of committee of Legislative Assembly related to health**, proposed legislative measure, legislative concept or amendment that requires health insurer or health care service contractor to reimburse cost of specified procedure or provider, *[if measure, concept or amendment is posted to legislative committee's agenda,]* and to produce report *[on equity and financial effects of each required coverage that is proposed and efficacy of]* **analyzing specified anticipated effects of coverage or lack of coverage of** treatment or service proposed. Specifies membership and duties of advisory committee.

Modifies *[criteria for]* **factors considered in** review of measures that require coverage of specific procedure or provider.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to health care coverage; creating new provisions; amending ORS 171.875 and 171.880; and
3 prescribing an effective date.

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

5 **SECTION 1. (1) The Health Insurance Mandate Review Advisory Committee is estab-**
6 **lished.**

7 **(2) The advisory committee consists of the following members:**

8 **(a) The President of the Senate and the Speaker of the House of Representatives shall**
9 **jointly appoint:**

10 **(A) One member representing businesses that offer group health insurance plans to em-**
11 **ployees.**

12 **(B) One member representing insurers that offer health benefit plans.**

13 **(C) One member representing health care providers who are not employed by insurers**
14 **that offer health benefit plans.**

15 **(D) One member representing consumers of health insurance benefits who are not rep-**
16 **resentative of businesses that offer group health insurance, insurers or health care provid-**
17 **ers.**

18 **(E) One member representing an organization or collaborative that promotes health eq-**
19 **uity policies and practices that are informed by racial justice principles.**

20 **(F) One member with expertise in the provision of health care in rural areas of this state.**

21 **(b) The executive director of the Oregon Educators Benefit Board and the Public**
22 **Employees' Benefit Board or the executive director's designee.**

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 (c) The director of the Health Evidence Review Commission or the director's designee.

2 (3) The advisory committee shall develop and implement a process for reviewing and
3 producing a report on all proposed legislative measures and amendments to measures de-
4 scribed in ORS 171.875. For each proposed measure or amendment, the advisory committee
5 shall engage with the member of the Legislative Assembly who is the chief sponsor of the
6 measure or amendment, or the chief sponsor's designee, to analyze the factors listed in ORS
7 171.880 and other relevant data and make findings on each factor.

8 (4) With respect to each proposed measure or amendment to a measure, the Legislative
9 Policy and Research Director shall collaborate with the Department of Consumer and Busi-
10 ness Services to collect and compile the data needed to analyze each factor listed in ORS
11 171.880. The advisory committee shall make findings based on the data and produce the re-
12 port required by ORS 171.875. The report may not contain policy recommendations.

13 (5) The advisory committee shall produce the report described in subsection (4) of this
14 section on a proposed measure or amendment submitted to the advisory committee for re-
15 view:

16 (a) By January 15 for proposed measures during an interim between sessions of the
17 Legislative Assembly; and

18 (b) No later than two weeks from receipt for a measure proposed during a session of the
19 Legislative Assembly or for an amendment to a measure that requires a report under ORS
20 171.875.

21 (6) The term of office of members is four years, but the President and Speaker may
22 jointly remove a member for any cause. If there is a vacancy for any cause, the President
23 and the Speaker shall make an appointment to become immediately effective for the unex-
24 pired term.

25 (7) A majority of the voting members of the advisory committee constitutes a quorum
26 for the transaction of business.

27 (8) Official action by the advisory committee requires the approval of a majority of the
28 voting members of the advisory committee.

29 (9) The advisory committee shall elect one of its members to serve as chairperson.

30 (10) If there is a vacancy for any cause, the appointing authority shall make an appoint-
31 ment to become immediately effective.

32 (11) The advisory committee shall meet at times and places specified by the call of the
33 chairperson or of a majority of the voting members of the advisory committee.

34 (12) The advisory committee may adopt rules necessary for the operation of the advisory
35 committee.

36 (13) The Legislative Policy and Research Director and the Legislative Fiscal Officer shall
37 provide staff support to the advisory committee.

38 (14) Members of the advisory committee are not entitled to compensation or reimburse-
39 ment for expenses and serve as volunteers on the advisory committee.

40 (15) All agencies of state government, as defined in ORS 174.111, and the Oregon Health
41 and Science University are directed to assist the advisory committee in the performance of
42 the duties of the advisory committee and, to the extent permitted by laws relating to
43 confidentiality, to furnish information and advice the members of the advisory committee
44 consider necessary to perform their duties.

45 **SECTION 2.** ORS 171.875 is amended to read:

1 171.875. (1) Every proposed legislative measure **or legislative concept** that mandates a health
2 insurance coverage **and every amendment that, if adopted, would result in the measure be-**
3 **coming a measure that mandates a health insurance coverage**, whether by requiring payment
4 for certain providers or by requiring an offering of a health insurance coverage by an insurer or
5 health care service contractor as a component of individual or group health insurance policies,
6 *[shall]* **may, upon the request of a chair or vice chair under subsection (2) of this section**, be
7 accompanied by a report *[that assesses]* **produced by the Health Insurance Mandate Review Ad-**
8 **visory Committee established under section 1 of this 2023 Act. The report must assess in the**
9 **manner provided in ORS 171.880** *[both]* the *[social and]* financial effects, **the effects on equity**
10 of the coverage *[in the manner provided in ORS 171.880, including]* **and** the efficacy of the treatment
11 or service proposed. *[The report may be prepared either by the chief sponsor or by any other proponent*
12 *of the proposed measure. The report shall be submitted with the proposed measure when the proposed*
13 *measure is submitted for filing, and shall be in writing and be a public record.]*

14 (2) **The chairs or the vice chairs of the committees of the Legislative Assembly related**
15 **to health may request a convening of a meeting of the Health Insurance Mandate Review**
16 **Advisory Committee to produce a report on any proposed measure or legislative concept that**
17 **mandates a health insurance coverage or an amendment that, if adopted, would result in the**
18 **measure becoming a measure that mandates a health insurance coverage.**

19 (3) **A report produced by the Health Insurance Mandate Review Advisory Committee may**
20 **be used in lieu of a fiscal impact statement required by ORS 173.025.**

21 **SECTION 3.** ORS 171.880 is amended to read:

22 171.880. *[The]* **A Health Insurance Mandate Review Advisory Committee** report required
23 under ORS 171.875, to the extent that information is available, shall include but need not be limited
24 to *[the following]* **analyses by the advisory committee and findings by the committee on:**

25 *[(1) Answers to the following questions concerning the social effect of the proposed measure:]*

26 *[(a) To what extent is the treatment or service used by the general population of Oregon?]*

27 *[(b) To what extent is the insurance coverage already generally available in Oregon?]*

28 *[(c) What proportion of the population of Oregon already has such coverage?]*

29 *[(d) To what extent does the lack of coverage result in financial hardship in Oregon?]*

30 *[(e) What evidence exists to document the medical need in Oregon for the proposed treatment or*
31 *services?]*

32 *[(2) Answers to the following questions concerning the financial effect of the proposed measure:]*

33 *[(a) To what extent is the coverage expected to increase or decrease the cost of treatment or ser-*
34 *vices?]*

35 *[(b) To what extent is the coverage expected to increase the use of the treatment or services?]*

36 *[(c) To what extent is the mandated treatment or services expected to be a substitute for more ex-*
37 *pensive treatment or services?]*

38 *[(d) To what extent is the coverage expected to increase or decrease the administrative expenses of*
39 *insurance companies and the premium and administrative expenses of policyholders?]*

40 *[(e) What will be the effect of this coverage on the total cost of health care?]*

41 (1) **The evidence that exists to document the medical need for the treatment or service**
42 **in the proposal;**

43 (2) **The extent of the coverage under the proposal;**

44 (3) **Whether the proposal ensures more or less equitable access to treatment and services**
45 **by residents of this state;**

1 (4) Whether denying the coverage under the proposal will disproportionately impact in-
2 dividuals described in ORS 746.021 and if so, a description of the impact;

3 (5) Whether the coverage under the proposal is an essential health benefit as defined in
4 ORS 731.097;

5 (6) Other state or federal laws that relate to the proposal including whether other states
6 are defraying the cost of similar coverage in accordance with 42 U.S.C. 18031(d)(3);

7 (7) The extent to which the coverage in the proposal is already provided by the Public
8 Employees' Benefit Board, the Oregon Educators Benefit Board or individual, small employer
9 group and large employer group health insurance plans;

10 (8) The extent to which the coverage in the proposal is provided in the state medical as-
11 sistance program as prescribed by the Oregon Health Authority under ORS 414.065 or in
12 Medicare Parts A through D;

13 (9) The extent to which a lack of the coverage in the proposal results in financial hard-
14 ship to residents of this state; and

15 (10) The financial effects of the proposal based on an actuarial analysis including:

16 (a) The extent to which the proposal is expected to increase or decrease the cost of
17 treatment or services and the utilization of treatment and services;

18 (b) The extent to which the treatment or service covered by the proposal is expected to
19 substitute for more expensive treatment or services;

20 (c) The per member per month cost of the proposal on the Public Employees' Benefit
21 Board, the Oregon Educators Benefit Board and enrollees in individual, small employer group
22 and large employer group health insurance plans;

23 (d) The extent to which the coverage required by the proposal will cause an increase in
24 premiums that will impose a financial hardship on residents in this state, particularly in
25 rural areas or frontier areas, as designated by the Office of Rural Health; and

26 (e) The estimated impact of the proposal on the total cost of health care in this state.

27 **SECTION 4.** Notwithstanding the term of office specified in section 1 (6) of this 2023 Act,
28 of the members first appointed to the Health Insurance Mandate Review Advisory Committee
29 who are described in section 1 (2)(a) of this 2023 Act:

30 (1) One shall serve a term ending January 1, 2025.

31 (2) Two shall serve terms ending January 1, 2026.

32 (3) Two shall serve terms ending January 1, 2027.

33 **SECTION 5.** This 2023 Act takes effect on the 91st day after the date on which the 2023
34 regular session of the Eighty-second Legislative Assembly adjourns sine die.

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