

# House Bill 2262

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Joint Interim Committee on Judiciary for Office of the Legislative Counsel)

## 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**.

Repeals automatic repeal of certain health care mandate statutes.  
Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to health insurance; creating new provisions; amending ORS 743.691, 743.697, 743.699,  
3 743.707, 743.725, 743.726, 743.842, 743.847, 750.055 and 750.333; repealing ORS 743.700, 743.717,  
4 743.722 and 743.729; and declaring an emergency.

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

6 **SECTION 1. ORS 743.700, 743.717, 743.722 and 743.729 are repealed.**

7 **SECTION 2. If this 2005 Act does not become effective until after July 1, 2005, the repeal**  
8 **of ORS 743.700 by section 1 of this 2005 Act revives ORS 743.727 and 743.728. If this 2005 Act**  
9 **does not become effective until after July 1, 2005, this 2005 Act operates retroactively to**  
10 **that date, and the operation and effect of ORS 743.727 and 743.728 continue unaffected from**  
11 **July 1, 2005, to the effective date of this 2005 Act and thereafter. Any otherwise lawful action**  
12 **taken or otherwise lawful obligation incurred under the authority of ORS 743.727 or 743.728**  
13 **after July 1, 2005, and before the effective date of this 2005 Act is ratified and approved.**

14 **SECTION 3. If this 2005 Act does not become effective until after October 23, 2005, the**  
15 **repeal of ORS 743.700 by section 1 of this 2005 Act revives ORS 743.693. If this 2005 Act does**  
16 **not become effective until after October 23, 2005, this 2005 Act operates retroactively to**  
17 **that date, and the operation and effect of ORS 743.693 continue unaffected from October 23,**  
18 **2005, to the effective date of this 2005 Act and thereafter. Any otherwise lawful action taken**  
19 **or otherwise lawful obligation incurred under the authority of ORS 743.693 after October 23,**  
20 **2005, and before the effective date of this 2005 Act is ratified and approved.**

21 **SECTION 4. ORS 743.691 is amended to read:**

22 743.691. (1) All insurers offering a health benefit plan as defined in ORS 743.730 shall provide  
23 payment, coverage or reimbursement for the following mastectomy-related services as determined  
24 by the attending physician and enrollee to be part of the enrollee's course or plan of treatment:

- 25 (a) All stages of reconstruction of the breast on which a mastectomy was performed, including  
26 but not limited to nipple reconstruction, skin grafts and stippling of the nipple and areola;  
27 (b) Surgery and reconstruction of the other breast to produce a symmetrical appearance;  
28 (c) Prostheses;  
29 (d) Treatment of physical complications of the mastectomy, including lymphedemas; and  
30 (e) Inpatient care related to the mastectomy and post-mastectomy services.

31 (2) An insurer providing coverage under subsection (1) of this section shall provide written no-

**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 tice describing the coverage to the enrollee at the time of enrollment in the health benefit plan and  
 2 annually thereafter.

3 (3) A health benefit plan must provide a single determination of prior authorization for all  
 4 mastectomy-related services covered under subsection (1) of this section that are part of the  
 5 enrollee’s course or plan of treatment.

6 (4) When an enrollee requests an external review of an adverse decision by the insurer regard-  
 7 ing services described in subsection (1) of this section, the insurer must expedite the enrollee’s case  
 8 pursuant to ORS 743.857 (4).

9 (5) The coverage required under subsection (1) of this section is subject to the same terms and  
 10 conditions in the plan that apply to other benefits under the plan.

11 *[(6) This section is exempt from ORS 743.700.]*

12 **SECTION 5.** ORS 743.697 is amended to read:

13 743.697. (1) No insurance policy or contract providing coverage for a prescription drug to a  
 14 resident of this state shall exclude coverage of that drug for a particular indication solely on the  
 15 grounds that the indication has not been approved by the United States Food and Drug Adminis-  
 16 tration if the Health Resources Commission determines that the drug is recognized as effective for  
 17 the treatment of that indication:

18 (a) In publications that the commission determines to be equivalent to:

19 (A) The American Hospital Formulary Services drug information;

20 (B) “Drug Facts and Comparisons” (Lippincott-Raven Publishers);

21 (C) The United States Pharmacopoeia drug information; or

22 (D) Other publications that have been identified by the United States Secretary of Health and  
 23 Human Services as authoritative;

24 (b) In the majority of relevant peer-reviewed medical literature; or

25 (c) By the United States Secretary of Health and Human Services.

26 (2) Required coverage of a prescription drug under this section shall include coverage for med-  
 27 ically necessary services associated with the administration of that drug.

28 (3) Nothing in this section requires coverage for any prescription drug if the United States Food  
 29 and Drug Administration has determined use of the drug to be contraindicated.

30 (4) Nothing in this section requires coverage for experimental drugs not approved for any indi-  
 31 cation by the United States Food and Drug Administration.

32 *[(5) This section is exempt from ORS 743.700.]*

33 **SECTION 6.** ORS 743.699 is amended to read:

34 743.699. (1) All insurers offering a health benefit plan shall provide coverage without prior au-  
 35 thorization for:

36 (a) Emergency medical screening exams;

37 (b) Stabilization of an emergency medical condition; and

38 (c) Emergency services provided by a nonparticipating provider if a prudent layperson possess-  
 39 ing an average knowledge of health and medicine would reasonably believe that the time required  
 40 to go to a participating provider would place the health of the person, or a fetus in the case of a  
 41 pregnant woman, in serious jeopardy.

42 (2) All insurers described in subsection (1) of this section shall provide information to enrollees  
 43 in plain language regarding:

44 (a) What constitutes an emergency medical condition;

45 (b) The coverage provided for emergency services;

1 (c) How and where to obtain emergency services; and

2 (d) The appropriate use of 9-1-1.

3 (3) An insurer offering a health benefit plan may not discourage appropriate use of 9-1-1 and  
4 shall not deny coverage for emergency services solely because 9-1-1 was used.

5 *[(4) This section is exempt from ORS 743.700.]*

6 **SECTION 7.** ORS 743.707 is amended to read:

7 743.707. (1) All individual and group health insurance policies providing hospital, medical or  
8 surgical expense benefits that include coverage for a family member of the insured shall also provide  
9 that the health insurance benefits applicable for children in the family shall be payable with respect  
10 to:

11 (a) A newly born child of the insured from the moment of birth; and

12 (b) An adopted child effective upon placement for adoption.

13 (2) The coverage of newly born and adopted children required by subsection (1) of this section  
14 shall consist of coverage of injury or sickness, including the necessary care and treatment of med-  
15 ically diagnosed congenital defects and birth abnormalities.

16 (3) If payment of a specific premium is required to provide coverage for a child, the policy may  
17 require that notification of the birth of the child or of the placement for adoption of the child and  
18 payment of the premium be furnished the insurer within 31 days after the date of birth or date of  
19 placement in order to have the coverage extended beyond the 31-day period.

20 (4) The following requirements apply to coverage of an adopted child required by subsection  
21 (1)(b) of this section:

22 (a) In any case in which a policy provides coverage for dependent children of participants or  
23 beneficiaries, the policy shall provide benefits to dependent children placed with participants or  
24 beneficiaries for adoption under the same terms and conditions as apply to the natural, dependent  
25 children of the participants and beneficiaries, regardless of whether the adoption has become final.

26 (b) A policy may not restrict coverage of any dependent child adopted by a participant or ben-  
27 efitary, or placed with a participant or beneficiary for adoption, solely on the basis of a preexisting  
28 condition of the child at the time that the child would otherwise become eligible for coverage under  
29 the plan if the adoption or placement for adoption occurs while the participant or beneficiary is el-  
30 ible for coverage under the plan.

31 (5) As used in this section:

32 (a) "Child" means, in connection with any adoption, or placement for adoption of the child, an  
33 individual who has not attained 18 years of age as of the date of the adoption or placement for  
34 adoption.

35 (b) "Placement for adoption" means the assumption and retention by a person of a legal obli-  
36 gation for total or partial support of a child in anticipation of the adoption of the child. The child's  
37 placement with a person terminates upon the termination of such legal obligations.

38 *[(6) The provisions of ORS 743.700 do not apply to this section.]*

39 **SECTION 8.** ORS 743.725 is amended to read:

40 743.725. *[(1)]* No insurer shall refuse a claim solely on the ground that the claim was submitted  
41 by a physician assistant practicing under the circumstances set forth in ORS 677.515 (4) rather than  
42 by the supervising physician for the physician assistant.

43 *[(2) This section is exempt from ORS 743.700.]*

44 **SECTION 9.** ORS 743.726 is amended to read:

45 743.726. (1) All individual and group health insurance policies providing coverage for hospital,

1 medical or surgical expenses, other than coverage limited to expenses from accidents or specific  
 2 diseases, shall include coverage for treatment of inborn errors of metabolism that involve amino  
 3 acid, carbohydrate and fat metabolism and for which medically standard methods of diagnosis,  
 4 treatment and monitoring exist, including quantification of metabolites in blood, urine or spinal fluid  
 5 or enzyme or DNA confirmation in tissues. Coverage shall include expenses of diagnosing, monitor-  
 6 ing and controlling the disorders by nutritional and medical assessment, including but not limited  
 7 to clinical visits, biochemical analysis and medical foods used in the treatment of such disorders.

8 (2) As used in this section, “medical foods” means foods that are formulated to be consumed or  
 9 administered enterally under the supervision of a physician, as defined in ORS 677.010, that are  
 10 specifically processed or formulated to be deficient in one or more of the nutrients present in typical  
 11 nutritional counterparts, that are for the medical and nutritional management of patients with lim-  
 12 ited capacity to metabolize ordinary foodstuffs or certain nutrients contained therein or have other  
 13 specific nutrient requirements as established by medical evaluation and that are essential to opti-  
 14 mize growth, health and metabolic homeostasis.

15 *[(3) This section is exempt from ORS 743.700.]*

16 **SECTION 10.** ORS 743.842 is amended to read:

17 743.842. (1) As used in this section:

18 (a) “Eye care practitioner” means an optometrist or ophthalmologist licensed by the State of  
 19 Oregon.

20 (b) “Eye care services” means health care services related to the care of the eye and related  
 21 structures as specified by a health benefit plan.

22 (c) “Health benefit plan” has the meaning provided for that term in ORS 743.730.

23 (2) Any insurer that offers a health benefit plan that provides coverage of eye care services shall  
 24 allow any enrollee to receive covered eye care services on an emergency basis without first re-  
 25 ceiving a referral or prior authorization from a primary care provider. However, an insurer may  
 26 require the enrollee to receive a referral or prior authorization from a primary care provider for  
 27 any subsequent surgical procedures. Nothing in this subsection shall be construed to require that  
 28 covered eye care services rendered by an eye care practitioner on an emergency basis be furnished  
 29 in a hospital or similar medical facility.

30 (3) An insurer described in subsection (2) of this section may not:

31 (a) Impose a deductible or coinsurance for eye care services that is greater than the deductible  
 32 or coinsurance imposed for other medical services under the health benefit plan.

33 (b) Require an eye care practitioner to hold hospital privileges as a condition of participation  
 34 as a provider in the health benefit plan.

35 (4) Nothing in this section:

36 (a) Requires an insurer to provide coverage or reimbursement of eye care services;

37 (b) Requires an insurer to provide coverage or reimbursement of refractive surgery, ophthalmic  
 38 materials, lenses, eyeglasses or other appurtenances; or

39 (c) Prevents an enrollee from receiving eye care or other covered services from the enrollee’s  
 40 primary care provider in accordance with the terms of the enrollee’s health benefit plan.

41 *[(5) This section is exempt from ORS 743.700.]*

42 **SECTION 11.** ORS 743.847 is amended to read:

43 743.847. (1) For the purposes of this section:

44 (a) “Health insurer” or “insurer” means the issuer of any individual, franchise, group or blanket  
 45 health policy or certificate or of any stop-loss or excess insurance issued in relation to a plan of a

1 self-insured employer.

2 (b) "Medicaid" means medical assistance provided under 42 U.S.C. 1396a (section 1902 of the  
3 Social Security Act).

4 (2) A health insurer is prohibited from considering the availability or eligibility for medical as-  
5 sistance in this or any other state under Medicaid, when considering eligibility for coverage or  
6 making payments under its group or individual plan for eligible enrollees, subscribers, policyholders  
7 or certificate holders.

8 (3) To the extent that payment for covered expenses has been made under the state Medicaid  
9 program for health care items or services furnished to an individual, in any case when a third party  
10 has a legal liability to make payments, the state is considered to have acquired the rights of the  
11 individual to payment by any other party for those health care items or services.

12 (4) An insurer shall not deny enrollment of a child under the group or individual health plan  
13 of the child's parent on the ground that:

14 (a) The child was born out of wedlock;

15 (b) The child is not claimed as a dependent on the parent's federal tax return; or

16 (c) The child does not reside with the child's parent or in the insurer's service area.

17 (5) When a child has group or individual health coverage through an insurer of a noncustodial  
18 parent, the insurer shall:

19 (a) Provide such information to the custodial parent as may be necessary for the child to obtain  
20 benefits through that coverage;

21 (b) Permit the custodial parent or the provider, with the custodial parent's approval, to submit  
22 claims for covered services without the approval of the noncustodial parent; and

23 (c) Make payments on claims submitted in accordance with subsection (6) of this section directly  
24 to the custodial parent, the provider or the state Medicaid agency.

25 (6) When a parent is required by a court or administrative order to provide health coverage for  
26 a child, and the parent is eligible for family health coverage, the insurer shall:

27 (a) Permit the parent to enroll, under the family coverage, a child who is otherwise eligible for  
28 the coverage without regard to any enrollment season restrictions;

29 (b) If the parent is enrolled but fails to make application to obtain coverage for the child, enroll  
30 the child under family coverage upon application of the child's other parent, the state agency ad-  
31 ministering the Medicaid program or the state agency administering 42 U.S.C. 651 to 669, the child  
32 support enforcement program; and

33 (c) Not disenroll or eliminate coverage of the child unless the insurer is provided satisfactory  
34 written evidence that:

35 (A) The court or administrative order is no longer in effect; or

36 (B) The child is or will be enrolled in comparable health coverage through another insurer  
37 which will take effect not later than the effective date of disenrollment.

38 (7) An insurer may not impose requirements on a state agency that has been assigned the rights  
39 of an individual eligible for medical assistance under Medicaid and covered for health benefits from  
40 the insurer if the requirements are different from requirements applicable to an agent or assignee  
41 of any other individual so covered.

42 *[(8) The provisions of ORS 743.700 do not apply to this section.]*

43 **SECTION 12.** ORS 750.055 is amended to read:

44 750.055. (1) The following provisions of the Insurance Code shall apply to health care service  
45 contractors to the extent so applicable and not inconsistent with the express provisions of ORS

1 750.005 to 750.095:

2 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
 3 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
 4 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
 5 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

6 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
 7 including ORS 732.582.

8 (c)(A) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.620, 733.635 to  
 9 733.680 and 733.695 to 733.780 apply to not-for-profit health care service contractors.

10 (B) ORS chapter 733, not including ORS 733.630, applies to for-profit health care service con-  
 11 tractors.

12 (d) ORS chapter 734.

13 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
 14 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
 15 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to  
 16 743.555, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
 17 743.699, 743.701, 743.706 to 743.712, 743.721, [743.722,] 743.726, 743.727, 743.728, [743.729,] 743.793,  
 18 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857,  
 19 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868.

20 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

21 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 22 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

23 (h) ORS 743.714, except in the case of group practice health maintenance organizations that are  
 24 federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is re-  
 25 ferred by a physician associated with a group practice health maintenance organization.

26 (i) ORS 735.600 to 735.650.

27 (j) ORS 743.680 to 743.689.

28 (k) ORS 744.700 to 744.740.

29 (L) ORS 743.730 to 743.773.

30 (m) ORS 731.485, except in the case of a group practice health maintenance organization that  
 31 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns  
 32 and operates an in-house drug outlet.

33 (2) For the purposes of this section only, health care service contractors shall be deemed  
 34 insurers.

35 (3) Any for-profit health care service contractor organized under the laws of any other state  
 36 which is not governed by the insurance laws of such state, will be subject to all requirements of  
 37 ORS chapter 732.

38 (4) The Director of the Department of Consumer and Business Services may, after notice and  
 39 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
 40 and 750.045 that are deemed necessary for the proper administration of these provisions.

41 **SECTION 13.** ORS 750.055, as amended by section 3, chapter 263, Oregon Laws 2003, is  
 42 amended to read:

43 750.055. (1) The following provisions of the Insurance Code shall apply to health care service  
 44 contractors to the extent so applicable and not inconsistent with the express provisions of ORS  
 45 750.005 to 750.095:

1 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,  
 2 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
 3 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,  
 4 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

5 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
 6 including ORS 732.582.

7 (c)(A) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.620, 733.635 to  
 8 733.680 and 733.695 to 733.780 apply to not-for-profit health care service contractors.

9 (B) ORS chapter 733, not including ORS 733.630, applies to for-profit health care service con-  
 10 tractors.

11 (d) ORS chapter 734.

12 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
 13 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
 14 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to  
 15 743.555, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
 16 743.699, 743.701, 743.706 to 743.712, 743.721, [743.722,] 743.727, 743.728, [743.729,] 743.793, 743.804,  
 17 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,  
 18 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868.

19 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

20 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 21 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

22 (h) ORS 743.714, except in the case of group practice health maintenance organizations that are  
 23 federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is re-  
 24 ferred by a physician associated with a group practice health maintenance organization.

25 (i) ORS 735.600 to 735.650.

26 (j) ORS 743.680 to 743.689.

27 (k) ORS 744.700 to 744.740.

28 (L) ORS 743.730 to 743.773.

29 (m) ORS 731.485, except in the case of a group practice health maintenance organization that  
 30 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns  
 31 and operates an in-house drug outlet.

32 (2) For the purposes of this section only, health care service contractors shall be deemed  
 33 insurers.

34 (3) Any for-profit health care service contractor organized under the laws of any other state  
 35 which is not governed by the insurance laws of such state, will be subject to all requirements of  
 36 ORS chapter 732.

37 (4) The Director of the Department of Consumer and Business Services may, after notice and  
 38 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
 39 and 750.045 that are deemed necessary for the proper administration of these provisions.

40 **SECTION 14.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, and sec-  
 41 tion 3, chapter 263, Oregon Laws 2003, is amended to read:

42 750.055. (1) The following provisions of the Insurance Code shall apply to health care service  
 43 contractors to the extent so applicable and not inconsistent with the express provisions of ORS  
 44 750.005 to 750.095:

45 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,

1 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,  
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 3 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

4 (b) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.592, not  
 5 including ORS 732.582.

6 (c)(A) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.620, 733.635 to  
 7 733.680 and 733.695 to 733.780 apply to not-for-profit health care service contractors.

8 (B) ORS chapter 733, not including ORS 733.630, applies to for-profit health care service con-  
 9 tractors.

10 (d) ORS chapter 734.

11 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to  
 12 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,  
 13 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to  
 14 743.555, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,  
 15 743.701, 743.706 to 743.712, 743.721, [743.722,] 743.727, 743.728, [743.729,] 743.793, 743.804, 743.807,  
 16 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859,  
 17 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868.

18 (f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

19 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,  
 20 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

21 (h) ORS 743.714, except in the case of group practice health maintenance organizations that are  
 22 federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is re-  
 23 ferred by a physician associated with a group practice health maintenance organization.

24 (i) ORS 735.600 to 735.650.

25 (j) ORS 743.680 to 743.689.

26 (k) ORS 744.700 to 744.740.

27 (L) ORS 743.730 to 743.773.

28 (m) ORS 731.485, except in the case of a group practice health maintenance organization that  
 29 is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns  
 30 and operates an in-house drug outlet.

31 (2) For the purposes of this section only, health care service contractors shall be deemed  
 32 insurers.

33 (3) Any for-profit health care service contractor organized under the laws of any other state  
 34 which is not governed by the insurance laws of such state, will be subject to all requirements of  
 35 ORS chapter 732.

36 (4) The Director of the Department of Consumer and Business Services may, after notice and  
 37 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025  
 38 and 750.045 that are deemed necessary for the proper administration of these provisions.

39 **SECTION 15.** ORS 750.333 is amended to read:

40 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
 41 tiple employer welfare arrangement:

42 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
 43 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
 44 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

45 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

- 1 (c) ORS chapter 734.
- 2 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.
- 3 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
4 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
5 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
6 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
7 743.864.
- 8 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
9 [743.717,] 743.718, 743.719, 743.721, [743.722,] 743.725 and 743.726. Multiple employer welfare ar-  
10 rangements to which ORS 743.730 to 743.773 apply are subject to the sections referred to in this  
11 paragraph only as provided in ORS 743.730 to 743.773.
- 12 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
13 ance consultants, and ORS 744.700 to 744.740.
- 14 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.
- 15 (i) ORS 731.592 and 731.594.
- 16 (2) For the purposes of this section:
- 17 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.
- 18 (b) References to certificates of authority shall be considered references to certificates of mul-  
19 tiple employer welfare arrangement.
- 20 (c) Contributions shall be considered premiums.
- 21 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
22 transaction of health insurance.
- 23 **SECTION 16.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, is  
24 amended to read:
- 25 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
26 tiple employer welfare arrangement:
- 27 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
28 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
29 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.
- 30 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.
- 31 (c) ORS chapter 734.
- 32 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.
- 33 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
34 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to  
35 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,  
36 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and  
37 743.864.
- 38 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
39 [743.717,] 743.718, 743.719, 743.721[ 743.722] and 743.725. Multiple employer welfare arrangements to  
40 which ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only  
41 as provided in ORS 743.730 to 743.773.
- 42 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
43 ance consultants, and ORS 744.700 to 744.740.
- 44 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.
- 45 (i) ORS 731.592 and 731.594.

1 (2) For the purposes of this section:

2 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

3 (b) References to certificates of authority shall be considered references to certificates of mul-  
4 tiple employer welfare arrangement.

5 (c) Contributions shall be considered premiums.

6 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
7 transaction of health insurance.

8 **SECTION 17.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section  
9 4, chapter 263, Oregon Laws 2003, and section 3, chapter 446, Oregon Laws 2003, is amended to  
10 read:

11 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-  
12 tiple employer welfare arrangement:

13 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,  
14 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,  
15 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

16 (b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

17 (c) ORS chapter 734.

18 (d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.

19 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,  
20 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.727, 743.728, 743.730 to 743.773 (ex-  
21 cept 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842,  
22 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and 743.864.

23 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,  
24 [743.717,] 743.718, 743.719[,] **and** 743.721 [*and* 743.722]. Multiple employer welfare arrangements to  
25 which ORS 743.730 to 743.773 apply are subject to the sections referred to in this paragraph only  
26 as provided in ORS 743.730 to 743.773.

27 (g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insur-  
28 ance consultants, and ORS 744.700 to 744.740.

29 (h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

30 (i) ORS 731.592 and 731.594.

31 (2) For the purposes of this section:

32 (a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

33 (b) References to certificates of authority shall be considered references to certificates of mul-  
34 tiple employer welfare arrangement.

35 (c) Contributions shall be considered premiums.

36 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the  
37 transaction of health insurance.

38 **SECTION 18. This 2005 Act being necessary for the immediate preservation of the public**  
39 **peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect**  
40 **on its passage.**