

A-Engrossed
House Bill 2772

Ordered by the House May 12
Including House Amendments dated May 12

Sponsored by Representative ESQUIVEL; Representative SCOTT, Senator BROWN (at the request of Oregon Association of Realtors)

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.

[Authorizes guaranteed association to be treated as small employer for purpose of purchasing small employer health benefit plans for members of association.]

Authorizes carrier to offer health benefit plan to guaranteed association if offered coverage meets certain conditions. Establishes procedure for establishing premium rates.

A BILL FOR AN ACT

Relating to guaranteed associations.

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

SECTION 1. Section 2 of this 2005 Act is added to and made a part of ORS 743.730 to 743.773.

SECTION 2. (1) As used in this section, "guaranteed association" means a statewide nonprofit organization composed of a group of licensed individuals or employers who associate based solely on participation in a specified profession or industry accepting for membership any individual or employer who meets the membership criteria of the organization.

(2) A carrier may offer a health benefit plan to a guaranteed association if the plan provides health benefits covering 500 or more members or dependents of members of the association.

(3) When a carrier offers coverage to a guaranteed association under subsection (2) of this section, the carrier shall offer coverage to all members of the association and all dependents of the members of the association without regard to the actual or expected health status of any member or any dependent of a member of the association.

(4) A carrier offering a health benefit plan under subsection (2) of this section shall establish premium rates as follows:

(a) For the initial 12-month period, according to the rating methodology described in ORS 743.737 (8)(b) and charged as a blended rate.

(b) For any subsequent 12-month period, using the claims experience of the covered members and covered dependents of the guaranteed association.

(5) A carrier offering a health benefit plan under subsection (2) of this section to a guaranteed association for any 12-month period other than the initial 12-month period shall establish premium rates as described in subsection (4)(b) of this section.

(6) A member of a guaranteed association may apply for coverage offered by a carrier

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 **under subsection (2) of this section only during an open enrollment period offered annually**
2 **by the association.**

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