

B-Engrossed House Bill 2772

Ordered by the Senate June 24
Including House Amendments dated May 12 and Senate Amendments
dated June 24

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 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

1
2 Relating to guaranteed associations.

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

4 **SECTION 1. Section 2 of this 2005 Act is added to and made a part of ORS 743.730 to**
5 **743.773.**

6 **SECTION 2. (1) As used in this section, "guaranteed association" means an association**
7 **that:**

8 (a) **The Director of the Department of Consumer and Business Services has determined**
9 **under ORS 743.524 meets the requirements described in ORS 743.522 (2); and**

10 (b) **Is a statewide nonprofit organization representing the interests of individuals licensed**
11 **under ORS chapter 696.**

12 (2) **A carrier may offer a health benefit plan to a guaranteed association if the plan pro-**
13 **vides health benefits covering 500 or more members or dependents of members of the asso-**
14 **ciation.**

15 (3) **When a carrier offers coverage to a guaranteed association under subsection (2) of**
16 **this section, the carrier shall offer coverage to all members of the association and all de-**
17 **pendents of the members of the association without regard to the actual or expected health**
18 **status of any member or any dependent of a member of the association.**

19 (4) **A carrier offering a health benefit plan under subsection (2) of this section shall es-**
20 **tablish premium rates as follows:**

21 (a) **For the initial 12-month period of coverage, the carrier shall submit to the director**
22 **a certified statement that the premium rates charged to the guaranteed association are**
23 **actuarially sound. The statement must be signed by an actuary certifying the accuracy of**
24 **the rating methodology as established by the American Academy of Actuaries.**

25 (b) **For any subsequent 12-month period of coverage, according to a rating methodology**
26 **as established by the American Academy of Actuaries.**

27 (5) **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:**

2 (a) **If the member has been an active member of the association for no less than 30 days;**

3 (b) **During an annual open enrollment period offered by the association; and**

4 (c) **After meeting any additional eligibility requirements agreed upon by the association**
5 **and the carrier.**

6 (6) **Notwithstanding subsection (5) of this section, if a member or a dependent of a**
7 **member of a guaranteed association terminates coverage under the health benefit plan, the**
8 **member or dependent shall be excluded from coverage for 12 months from the date of ter-**
9 **mination of coverage. The member may enroll for coverage of the member or the dependent**
10 **during an annual open enrollment period following the expiration of the exclusion period.**

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