

B-Engrossed House Bill 2918

Ordered by the Senate June 22
Including House Amendments dated May 8 and Senate Amendments dated
June 22

Sponsored by Representative BUCKLEY; Representatives C EDWARDS, GELSER, HOLVEY, NELSON, SHIELDS,
TOMEI

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.

Requires health benefit plan to cover treatment of **child under 18 years of age who has been diagnosed with** pervasive developmental disorder subject to same conditions as treatment of physical illness.

Directs Health Resources Commission to conduct review of available medical and behavioral health evidence on treatment of pervasive developmental disorders and to report findings and recommendations to Seventy-fifth Legislative Assembly.

A BILL FOR AN ACT

1
2 Relating to health benefit plan coverage of pervasive developmental disorder; creating new pro-
3 visions; and amending ORS 750.055 and 750.333.

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

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of the Insurance Code.**

6 **SECTION 2. (1) A health benefit plan, as defined in ORS 743.730, must cover for a child**
7 **enrolled in the plan who is under 18 years of age and who has been diagnosed with a perva-**
8 **sive developmental disorder all medical services, including rehabilitation services, that are**
9 **medically necessary and are otherwise covered under the plan.**

10 **(2) The coverage required under subsection (1) of this section, including rehabilitation**
11 **services, may be made subject to other provisions of the health benefit plan that apply to**
12 **covered services, including but not limited to:**

13 **(a) Deductibles, copayments or coinsurance;**

14 **(b) Prior authorization or utilization review requirements; or**

15 **(c) Treatment limitations regarding the number of visits or the duration of treatment.**

16 **(3) As used in this section:**

17 **(a) "Medically necessary" means in accordance with the definition of medical necessity**
18 **that is specified in the policy, certificate or contract for the health benefit plan and that**
19 **applies uniformly to all covered services under the health benefit plan.**

20 **(b) "Pervasive developmental disorder" means a neurological condition that includes**
21 **Asperger's syndrome, autism, developmental delay, developmental disability or mental re-**
22 **tardation.**

23 **(c) "Rehabilitation services" means physical therapy, occupational therapy or speech**
24 **therapy services to restore or improve function.**

25 **(4) The provisions of ORS 743.700 do not apply to this section.**

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 **(5) The definition of “pervasive developmental disorder” is not intended to apply to cov-**
2 **erage required under ORS 743.556.**

3 **SECTION 2a. The Health Resources Commission shall:**

4 **(1) Conduct a review of available medical and behavioral health evidence on the treat-**
5 **ment of pervasive developmental disorders.**

6 **(2) In conducting its review, work with the Public Employees’ Benefit Board, the Health**
7 **Services Commission, the Department of Human Services and the Department of Education.**

8 **(3) Report its findings and recommendations to the Seventy-fifth Legislative Assembly in**
9 **the manner provided in ORS 192.245.**

10 **SECTION 3. ORS 750.055 is amended to read:**

11 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
12 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

13 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
14 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
15 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
16 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

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

19 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
20 to 733.780.

21 (d) ORS chapter 734.

22 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
23 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,
24 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to
25 743.552, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,
26 743.699, 743.701, 743.706 to 743.712, 743.721, 743.722, 743.726, 743.727, 743.728, 743.729, 743.793,
27 743.804, 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857,
28 743.858, 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868 **and section 2 of this 2007**
29 **Act.**

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

31 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
32 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

36 (i) ORS 735.600 to 735.650.

37 (j) ORS 743.680 to 743.689.

38 (k) ORS 744.700 to 744.740.

39 (L) ORS 743.730 to 743.773.

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

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

44 (3) Any for-profit health care service contractor organized under the laws of any other state that
45 is not governed by the insurance laws of the other state is subject to all requirements of ORS

1 chapter 732.

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

5 **SECTION 4.** ORS 750.055, as amended by section 7, chapter 137, Oregon Laws 2003, section 3,
6 chapter 263, Oregon Laws 2003, sections 501 and 502, chapter 22, Oregon Laws 2005, sections 5 and
7 6, chapter 255, Oregon Laws 2005, and section 5, chapter 418, Oregon Laws 2005, is amended to
8 read:

9 750.055. (1) The following provisions of the Insurance Code apply to health care service con-
10 tractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:

11 (a) ORS 705.137, 705.139, 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386,
12 731.390, 731.398 to 731.430, 731.428, 731.450, 731.454, 731.488, 731.504, 731.508, 731.509, 731.510,
13 731.511, 731.512, 731.574 to 731.620, 731.592, 731.594, 731.640 to 731.652, 731.730, 731.731, 731.735,
14 731.737, 731.750, 731.752, 731.804 and 731.844 to 731.992.

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

17 (c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
18 to 733.780.

19 (d) ORS chapter 734.

20 (e) ORS 742.001 to 742.009, 742.013, 742.061, 742.065, 742.150 to 742.162, 742.400, 742.520 to
21 742.540, 743.010, 743.013, 743.018 to 743.030, 743.050, 743.100 to 743.109, 743.402, 743.412, 743.472,
22 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.527, 743.528, 743.529, 743.549 to
23 743.552, 743.556, 743.560, 743.600 to 743.610, 743.650 to 743.656, 743.691, 743.693, 743.694, 743.697,
24 743.699, 743.701, 743.706 to 743.712, 743.721, 743.722, 743.727, 743.728, 743.729, 743.793, 743.804,
25 743.807, 743.808, 743.814 to 743.839, 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858,
26 743.859, 743.861, 743.862, 743.863, 743.864, 743.866 and 743.868 **and section 2 of this 2007 Act.**

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

28 (g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
29 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

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

33 (i) ORS 735.600 to 735.650.

34 (j) ORS 743.680 to 743.689.

35 (k) ORS 744.700 to 744.740.

36 (L) ORS 743.730 to 743.773.

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

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

41 (3) Any for-profit health care service contractor organized under the laws of any other state that
42 is not governed by the insurance laws of the other state is subject to all requirements of ORS
43 chapter 732.

44 (4) The Director of the Department of Consumer and Business Services may, after notice and
45 hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025

1 and 750.045 that are deemed necessary for the proper administration of these provisions.

2 **SECTION 5.** ORS 750.333 is amended to read:

3 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-
4 tiple employer welfare arrangement:

5 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
6 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
7 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

8 (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.

9 (c) ORS chapter 734.

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

11 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
12 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to
13 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,
14 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and
15 743.864.

16 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,
17 743.717, 743.718, 743.719, 743.721, 743.722, 743.725 and 743.726 **and section 2 of this 2007 Act.**
18 Multiple employer welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the
19 sections referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

23 (i) ORS 731.592 and 731.594.

24 (2) For the purposes of this section:

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

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

28 (c) Contributions shall be considered premiums.

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

31 **SECTION 6.** ORS 750.333, as amended by section 4, chapter 263, Oregon Laws 2003, is amended
32 to read:

33 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-
34 tiple employer welfare arrangement:

35 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
36 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
37 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

38 (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.

39 (c) ORS chapter 734.

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

41 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
42 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to
43 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,
44 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and
45 743.864.

1 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,
2 743.717, 743.718, 743.719, 743.721, 743.722 and 743.725 **and section 2 of this 2007 Act.** Multiple
3 employer welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the sections
4 referred to in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

8 (i) ORS 731.592 and 731.594.

9 (2) For the purposes of this section:

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

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

13 (c) Contributions shall be considered premiums.

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

16 **SECTION 7.** ORS 750.333, as amended by section 8, chapter 137, Oregon Laws 2003, section 4,
17 chapter 263, Oregon Laws 2003, section 3, chapter 446, Oregon Laws 2003, and section 6, chapter
18 418, Oregon Laws 2005, is amended to read:

19 750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a mul-
20 tiple employer welfare arrangement:

21 (a) ORS 731.004 to 731.150, 731.162, 731.216 to 731.268, 731.296 to 731.316, 731.324, 731.328,
22 731.378, 731.386, 731.390, 731.398, 731.406, 731.410, 731.414, 731.418 to 731.434, 731.454, 731.484,
23 731.486, 731.488, 731.512, 731.574 to 731.620, 731.640 to 731.652, 731.804 to 731.992.

24 (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.

25 (c) ORS chapter 734.

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

27 (e) ORS 743.028, 743.053, 743.524, 743.526, 743.527, 743.528, 743.529, 743.530, 743.560, 743.562,
28 743.600, 743.601, 743.602, 743.610, 743.691, 743.693, 743.694, 743.699, 743.727, 743.728, 743.730 to
29 743.773 (except 743.760 to 743.773), 743.793, 743.801, 743.804, 743.807, 743.808, 743.814 to 743.839,
30 743.842, 743.845, 743.847, 743.854, 743.856, 743.857, 743.858, 743.859, 743.861, 743.862, 743.863 and
31 743.864.

32 (f) ORS 743.556, 743.701, 743.703, 743.706, 743.707, 743.709, 743.710, 743.712, 743.713, 743.714,
33 743.717, 743.718, 743.719, 743.721 and 743.722 **and section 2 of this 2007 Act.** Multiple employer
34 welfare arrangements to which ORS 743.730 to 743.773 apply are subject to the sections referred to
35 in this paragraph only as provided in ORS 743.730 to 743.773.

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

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

39 (i) ORS 731.592 and 731.594.

40 (2) For the purposes of this section:

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

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

44 (c) Contributions shall be considered premiums.

45 (3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the

1 transaction of health insurance.

2 **SECTION 8. Section 2 of this 2007 Act applies to health benefit plan policies issued or**
3 **renewed on or after the effective date of this 2007 Act.**

4
