

House Bill 3591

Sponsored by Representative JAVADI, Senator WEBER

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: This Act tells some insurers, OEGB and PEBB to pay all children's care providers the same and to cover this care in the same way for in-network and out-of-network care. (Flesch Readability Score: 60.7).

Requires a group or individual health benefit plan, policy or contract, including plans offered by the Public Employees' Benefit Board or the Oregon Educators Benefit Board, to reimburse out-of-network providers the same as in-network providers for pediatric care and prohibits additional out-of-pocket costs for pediatric care.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to pediatric care; creating new provisions; amending ORS 243.144, 243.877, 750.055 and
3 750.333; and prescribing an effective date.

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

5 **SECTION 1. Sections 2 and 3 of this 2025 Act are added to and made a part of the In-**
6 **insurance Code.**

7 **SECTION 2. (1) As used in this section:**

8 (a) "Health benefit plan" has the meaning given that term in ORS 743B.005.

9 (b) "In-network" has the meaning given that term in ORS 743B.280.

10 (c) "Out-of-network" has the meaning given that term in ORS 743B.280.

11 (d) "Pediatric care" means health care that treats the physical, behavioral and develop-
12 mental issues that affect children from birth to 18 years of age.

13 (2) An insurer offering a policy or certificate of group health insurance or an individual
14 health benefit plan, policy or contract that reimburses out-of-network providers for pediatric
15 care may not reimburse the cost of covered pediatric care services provided by an out-of-
16 network provider in an amount that is less than the reimbursement paid to an in-network
17 provider for the same service, treatment or procedure.

18 (3) Coverage under this section may not be subject to terms and conditions, including
19 provisions imposing out-of-pocket costs such as copayments, deductibles and coinsurance,
20 other than the terms and conditions that apply to the reimbursement of the cost of pediatric
21 care services provided by in-network providers.

22 (4) This section is exempt from ORS 743A.001.

23 **SECTION 3. (1) As used in this section:**

24 (a) "Health benefit plan" has the meaning given that term in ORS 743B.005.

25 (b) "Out-of-network" has the meaning given that term in ORS 743B.280.

26 (c) "Pediatric care" means health care that treats the physical, behavioral and develop-
27 mental issues that affect children from birth to 18 years of age.

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 **(2) An out-of-network provider that is licensed or certified in this state may not charge**
2 **an individual insured under a health benefit plan or a health care service contract for the**
3 **cost of covered pediatric care services provided under the individual's health benefit plan or**
4 **health care service contract in an amount in excess of the reimbursement paid by the plan**
5 **or contract.**

6 **SECTION 4.** ORS 243.144, as amended by section 9, chapter 17, Oregon Laws 2024, is amended
7 to read:

8 243.144. Benefit plans offered by the Public Employees' Benefit Board that reimburse the cost
9 of medical and other health services and supplies must comply with the requirements for health
10 benefit plan coverage described in:

- 11 (1) ORS 743A.058;
- 12 (2) ORS 743A.140;
- 13 (3) ORS 743A.141;
- 14 (4) ORS 743B.256;
- 15 (5) ORS 743B.287 (4);
- 16 (6) ORS 743B.420;
- 17 (7) ORS 743B.423;
- 18 (8) ORS 743B.601;
- 19 (9) ORS 743B.810;
- 20 (10) ORS 743A.325; *[and]*
- 21 (11) ORS 743A.051 (2)(c)[.]; **and**
- 22 **(12) Section 2 of this 2025 Act.**

23 **SECTION 5.** ORS 243.144, as amended by sections 9 and 10, chapter 17, Oregon Laws 2024, is
24 amended to read:

25 243.144. Benefit plans offered by the Public Employees' Benefit Board that reimburse the cost
26 of medical and other health services and supplies must comply with the requirements for health
27 benefit plan coverage described in:

- 28 (1) ORS 743A.058;
- 29 (2) ORS 743A.140;
- 30 (3) ORS 743A.141;
- 31 (4) ORS 743B.256;
- 32 (5) ORS 743B.287 (4);
- 33 (6) ORS 743B.420;
- 34 (7) ORS 743B.423;
- 35 (8) ORS 743B.601;
- 36 (9) ORS 743B.810; *[and]*
- 37 (10) ORS 743A.325[.]; **and**
- 38 **(11) Section 2 of this 2025 Act.**

39 **SECTION 6.** ORS 243.877, as amended by section 11, chapter 17, Oregon Laws 2024, is amended
40 to read:

41 243.877. Benefit plans offered by the Oregon Educators Benefit Board that reimburse the cost
42 of medical and other health services and supplies must comply with the requirements for health
43 benefit plan coverage described in:

- 44 (1) ORS 743A.058;
- 45 (2) ORS 743A.140;

- 1 (3) ORS 743A.141;
- 2 (4) ORS 743B.256;
- 3 (5) ORS 743B.287 (4);
- 4 (6) ORS 743B.420;
- 5 (7) ORS 743B.423;
- 6 (8) ORS 743B.601;
- 7 (9) ORS 743B.810;
- 8 (10) ORS 743A.325; *[and]*
- 9 (11) ORS 743A.051 (2)(c)[.]; **and**
- 10 **(12) Section 2 of this 2025 Act.**

11 **SECTION 7.** ORS 243.877, as amended by sections 11 and 12, chapter 17, Oregon Laws 2024, is
12 amended to read:

13 243.877. Benefit plans offered by the Oregon Educators Benefit Board that reimburse the cost
14 of medical and other health services and supplies must comply with the requirements for health
15 benefit plan coverage described in:

- 16 (1) ORS 743A.058;
- 17 (2) ORS 743A.140;
- 18 (3) ORS 743A.141;
- 19 (4) ORS 743B.256;
- 20 (5) ORS 743B.287 (4);
- 21 (6) ORS 743B.420;
- 22 (7) ORS 743B.423;
- 23 (8) ORS 743B.601;
- 24 (9) ORS 743B.810; *[and]*
- 25 (10) ORS 743A.325[.]; **and**
- 26 **(11) Section 2 of this 2025 Act.**

27 **SECTION 8.** ORS 750.055, as amended by section 3, chapter 24, Oregon Laws 2024, section 4,
28 chapter 35, Oregon Laws 2024, section 21, chapter 70, Oregon Laws 2024, and section 162, chapter
29 73, Oregon Laws 2024, is amended to read:

30 750.055. (1) The following provisions apply to health care service contractors to the extent not
31 inconsistent with the express provisions of ORS 750.005 to 750.095:

- 32 (a) ORS 705.137, 705.138 and 705.139.
- 33 (b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398
34 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS
35 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,
36 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.
- 37 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.596, not
38 including ORS 732.582, and ORS 732.650 to 732.689.
- 39 (d) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695
40 to 733.780.
- 41 (e) ORS 734.014 to 734.440.
- 42 (f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to
43 742.542.

- 44 (g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.025,
45 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,

1 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650
2 to 743.656, 743.680 to 743.689, 743.788 and 743.790.

3 (h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,
4 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
5 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
6 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,
7 743A.170, 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260, 743A.310
8 and 743A.315 and section 2, chapter 771, Oregon Laws 2013, and section 2, chapter 70, Oregon Laws
9 2024, and section 2 of this 2025 Act.

10 (i) ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,
11 743B.202, 743B.204, 743B.220, 743B.221, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
12 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310,
13 743B.320, 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403,
14 743B.407, 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505,
15 743B.550, 743B.555, 743B.601, 743B.602 and 743B.800 and section 2, chapter 24, Oregon Laws 2024,
16 and section 2, chapter 35, Oregon Laws 2024, and section 3 of this 2025 Act.

17 (j) The following provisions of ORS chapter 744:

18 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
19 ers;

20 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

21 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

22 (k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
23 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

24 (2) The following provisions of the Insurance Code apply to health care service contractors ex-
25 cept in the case of group practice health maintenance organizations that are federally qualified
26 pursuant to Title XIII of the Public Health Service Act:

27 (a) ORS 731.485, if the group practice health maintenance organization wholly owns and oper-
28 ates an in-house drug outlet.

29 (b) ORS 743A.024, unless the patient is referred by a physician, physician associate or nurse
30 practitioner associated with a group practice health maintenance organization.

31 (3) For the purposes of this section, health care service contractors are insurers.

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

35 (5)(a) A health care service contractor is a domestic insurance company for the purpose of de-
36 termining whether the health care service contractor is a debtor, as defined in 11 U.S.C. 109.

37 (b) A health care service contractor's classification as a domestic insurance company under
38 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510
39 to 734.710.

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

43 **SECTION 9.** ORS 750.055, as amended by section 21, chapter 771, Oregon Laws 2013, section
44 7, chapter 25, Oregon Laws 2014, section 82, chapter 45, Oregon Laws 2014, section 9, chapter 59,
45 Oregon Laws 2015, section 7, chapter 100, Oregon Laws 2015, section 7, chapter 224, Oregon Laws

1 2015, section 11, chapter 362, Oregon Laws 2015, section 10, chapter 470, Oregon Laws 2015, section
 2 30, chapter 515, Oregon Laws 2015, section 10, chapter 206, Oregon Laws 2017, section 6, chapter
 3 417, Oregon Laws 2017, section 22, chapter 479, Oregon Laws 2017, section 10, chapter 7, Oregon
 4 Laws 2018, section 69, chapter 13, Oregon Laws 2019, section 38, chapter 151, Oregon Laws 2019,
 5 section 5, chapter 441, Oregon Laws 2019, section 85, chapter 97, Oregon Laws 2021, section 12,
 6 chapter 37, Oregon Laws 2022, section 5, chapter 111, Oregon Laws 2023, section 2, chapter 152,
 7 Oregon Laws 2023, section 4, chapter 24, Oregon Laws 2024, section 5, chapter 35, Oregon Laws
 8 2024, section 22, chapter 70, Oregon Laws 2024, and section 163, chapter 73, Oregon Laws 2024, is
 9 amended to read:

10 750.055. (1) The following provisions apply to health care service contractors to the extent not
 11 inconsistent with the express provisions of ORS 750.005 to 750.095:

12 (a) ORS 705.137, 705.138 and 705.139.

13 (b) ORS 731.004 to 731.150, 731.162, 731.216 to 731.362, 731.382, 731.385, 731.386, 731.390, 731.398
 14 to 731.430, 731.428, 731.450, 731.454, 731.485, as provided in subsection (2) of this section, ORS
 15 731.488, 731.504, 731.508, 731.509, 731.510, 731.511, 731.512, 731.574 to 731.620, 731.640 to 731.652,
 16 731.730, 731.731, 731.735, 731.737, 731.750, 731.752, 731.804, 731.808 and 731.844 to 731.992.

17 (c) ORS 732.215, 732.220, 732.230, 732.245, 732.250, 732.320, 732.325 and 732.517 to 732.596, not
 18 including ORS 732.582, and ORS 732.650 to 732.689.

19 (d) 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 (e) ORS 734.014 to 734.440.

22 (f) ORS 742.001 to 742.009, 742.013, 742.016, 742.061, 742.065, 742.150 to 742.162 and 742.518 to
 23 742.542.

24 (g) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.022, 743.023, 743.025,
 25 743.028, 743.029, 743.038, 743.040, 743.044, 743.050, 743.100 to 743.109, 743.402, 743.405, 743.406,
 26 743.417, 743.472, 743.492, 743.495, 743.498, 743.522, 743.523, 743.524, 743.526, 743.535, 743.550, 743.650
 27 to 743.656, 743.680 to 743.689, 743.788 and 743.790.

28 (h) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.034, 743A.036, 743A.040, 743A.044,
 29 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
 30 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
 31 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,
 32 743A.170, 743A.175, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260, 743A.310
 33 and 743A.315 and section 2, chapter 70, Oregon Laws 2024, **and section 2 of this 2025 Act.**

34 (i) ORS 743B.001, 743B.003 to 743B.127, 743B.128, 743B.130, 743B.195, 743B.197, 743B.200,
 35 743B.202, 743B.204, 743B.220, 743B.221, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
 36 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.280 to 743B.285, 743B.287, 743B.300, 743B.310,
 37 743B.320, 743B.323, 743B.330, 743B.340, 743B.341, 743B.342, 743B.343 to 743B.347, 743B.400, 743B.403,
 38 743B.407, 743B.420, 743B.423, 743B.450, 743B.451, 743B.452, 743B.453, 743B.470, 743B.475, 743B.505,
 39 743B.550, 743B.555, 743B.601, 743B.602 and 743B.800 and section 2, chapter 24, Oregon Laws 2024,
 40 and section 2, chapter 35, Oregon Laws 2024, **and section 3 of this 2025 Act.**

41 (j) The following provisions of ORS chapter 744:

42 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
 43 ers;

44 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

45 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

1 (k) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610,
2 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

3 (2) The following provisions of the Insurance Code apply to health care service contractors ex-
4 cept in the case of group practice health maintenance organizations that are federally qualified
5 pursuant to Title XIII of the Public Health Service Act:

6 (a) ORS 731.485, if the group practice health maintenance organization wholly owns and oper-
7 ates an in-house drug outlet.

8 (b) ORS 743A.024, unless the patient is referred by a physician, physician associate or nurse
9 practitioner associated with a group practice health maintenance organization.

10 (3) For the purposes of this section, health care service contractors are insurers.

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

14 (5)(a) A health care service contractor is a domestic insurance company for the purpose of de-
15 termining whether the health care service contractor is a debtor, as defined in 11 U.S.C. 109.

16 (b) A health care service contractor's classification as a domestic insurance company under
17 paragraph (a) of this subsection does not subject the health care service contractor to ORS 734.510
18 to 734.710.

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

22 **SECTION 10.** ORS 750.333, as amended by section 5, chapter 24, Oregon Laws 2024, and section
23 23, chapter 70, Oregon Laws 2024, is amended to read:

24 750.333. (1) The following provisions apply to trusts carrying out a multiple employer welfare
25 arrangement:

26 (a) ORS 705.137, 705.138 and 705.139.

27 (b) 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, 731.808 and 731.844 to
30 731.992.

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

32 (d) ORS 734.014 to 734.440.

33 (e) ORS 742.001 to 742.009, 742.013, 742.016, 742.061 and 742.065.

34 (f) ORS 743.004, 743.005, 743.007, 743.008, 743.010, 743.018, 743.020, 743.023, 743.028, 743.029,
35 743.053, 743.405, 743.406, 743.524, 743.526, 743.535 and 743B.221.

36 (g) ORS 743A.010, 743A.012, 743A.014, 743A.020, 743A.024, 743A.034, 743A.036, 743A.040,
37 743A.048, 743A.051, 743A.052, 743A.058, 743A.060, 743A.062, 743A.063, 743A.064, 743A.065, 743A.066,
38 743A.068, 743A.070, 743A.080, 743A.082, 743A.084, 743A.088, 743A.090, 743A.100, 743A.104, 743A.105,
39 743A.108, 743A.110, 743A.124, 743A.140, 743A.141, 743A.148, 743A.150, 743A.160, 743A.168, 743A.169,
40 743A.170, 743A.175, 743A.180, 743A.185, 743A.188, 743A.190, 743A.192, 743A.250, 743A.252, 743A.260
41 and 743A.310 and section 2, chapter 70, Oregon Laws 2024, **and section 2 of this 2025 Act.**

42 (h) ORS 743B.001, 743B.003 to 743B.127 (except 743B.125 to 743B.127), 743B.195, 743B.197,
43 743B.200, 743B.202, 743B.204, 743B.220, 743B.222, 743B.225, 743B.227, 743B.250, 743B.252, 743B.253,
44 743B.254, 743B.255, 743B.256, 743B.257, 743B.258, 743B.310, 743B.320, 743B.321, 743B.330, 743B.340,
45 743B.341, 743B.342, 743B.343, 743B.344, 743B.345, 743B.347, 743B.400, 743B.403, 743B.407, 743B.420,

1 743B.423, 743B.451, 743B.453, 743B.470, 743B.505, 743B.550, 743B.555 and 743B.601 and section 2,
2 chapter 24, Oregon Laws 2024, **and section 3 of this 2025 Act.**

3 (i) The following provisions of ORS chapter 744:

4 (A) ORS 744.052 to 744.089, 744.091 and 744.093, relating to the regulation of insurance produc-
5 ers;

6 (B) ORS 744.602 to 744.665, relating to the regulation of insurance consultants; and

7 (C) ORS 744.700 to 744.740, relating to the regulation of third party administrators.

8 (j) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

9 (2) For the purposes of this section:

10 (a) A trust carrying out a multiple employer welfare arrangement is an insurer.

11 (b) References to certificates of authority are references to certificates of multiple employer
12 welfare arrangement.

13 (c) Contributions are premiums.

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

16 (4) The Department of Consumer and Business Services may adopt rules that are necessary to
17 implement the provisions of ORS 750.301 to 750.341.

18 **SECTION 11. (1) Sections 2 and 3 of this 2025 Act and the amendments to ORS 750.055**
19 **and 750.333 by sections 8 to 10 of this 2025 Act apply to policies or certificates of health in-**
20 **surance or health care service contracts offered, renewed or extended on or after January**
21 **1, 2026.**

22 **(2) The amendments to ORS 243.144 and 243.877 by sections 4 to 7 of this 2025 Act apply**
23 **to health benefit plans offered by the Public Employees' Benefit Board or the Oregon Edu-**
24 **cators Benefit Board that are issued, renewed or extended on or after January 1, 2026, and**
25 **for self-insured health benefit plans in effect for periods beginning on or after January 1,**
26 **2026.**

27 **SECTION 12. This 2025 Act takes effect on the 91st day after the date on which the 2025**
28 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

29