

Secretary of State
STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Department of Consumer and Business Services – Insurance Division

836

Agency and Division

Administrative Rules Chapter Number

Rule Caption: Clarifies law to prohibit separate cost sharing for mandates when not otherwise permitted by law.

In the Matter of: Proposed adoption of OAR 836-052-1005; relating to prohibiting separate cost sharing for mandated services.

Statutory Authority: ORS 731.244.

Other Authority: 743A.032,

Statutes Implemented: ORS 743A.024, 743A.028, 743A.032, 743A.036, 743A.040, 743A.048, 743A.050, 743A.080, 743A.090, 743A.100, 743A.104, 743A.105, 743A.108, 743A.110, 743A.120, 743A.124, 743A.140, 743A.148, 743A.175, 743A.188 and 743A.190.

Need for the Rule(s): To clarify the requirements of coverage or reimbursement for mandated services under ORS chapter 743A when not otherwise specified by law.

Documents Relied Upon, and where they are available:

Fiscal and Economic Impact: This rule clarifies existing law and does not impose any requirements in addition to those mandated under the statutes listed above. However, this clarification may cause insurers to change cost sharing and treatment limitation provisions, which may result in insurers paying more for mandated services required under ORS chapter 743A.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

None.

2. Cost of compliance effect on small business (ORS 183.336):

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule:

None. The rule applies to insurers and there are no insurers that are small business.

b. Projected reporting, recordkeeping and other administrative activities required for compliance, including costs of professional services:

None.

c. Equipment, supplies, labor and increased administration required for compliance:

None.

How were small businesses involved in the development of this rule? A representative of a trade organization representing small businesses was consulted regarding the rule. She indicated that she did not think the rule would have direct impact on small businesses.

Administrative Rule Advisory Committee consulted? Yes.

(Signed)

Teresa D. Miller, Insurance Administrator

October 14, 2010

Signature

Printed name

Date