

Advisory Committee and may not use any other method to determine the health status of an individual. Nothing in this subsection shall prevent a carrier from using health information after enrollment for the purpose of providing services or arranging for the provision of services under a health benefit plan.” ORS 743.773 requires to the director to adopt “all rules necessary for the implementation and administration of ORS 743.766 to 743.769.” ORS 750.055(1)(L) makes, among other things, ORS 743.766 and ORS 743.773 applicable to health care service contractors. The director adopted OAR 836-053-0510 pursuant to ORS 743.766 and ORS 743.773.

OAR 836-053-0510(1) specifies the standard health statement. OAR 836-053-0510(2) provides that the “Oregon Standard Health Statement is the only health statement that a carrier may use to evaluate the health status of applicants for coverage in an individual health benefit plan and for late enrollees in a group health benefit plan.” OAR 836-053-0510(3) provides that “[i]n evaluating the Oregon Standard Health Statement submitted by an applicant, a carrier may request medical records or an attending physician's statement for the applicant, but such a request shall be made only for questions that have been marked "Yes" by the applicant in the numbered questionnaire portion of the statement. The cost of obtaining such information shall be borne by the carrier. Although a carrier's request for additional medical information is limited to the specific questions marked "Yes," a carrier may use all of the information received in response to such a request in evaluating the applicant's health statement.”

From 10/1/07 to 10/1/10, in 252 instances, Regence requested an applicant provide to Regence additional medical information for the purpose of evaluating the Oregon Standard Health Statement submitted by the applicant but reimbursed the applicant less than what the applicant paid for the information.

Action

Pursuant to ORS 731.988(1), Regence is assessed a civil penalty of \$10,000. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be

delivered or mailed to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon 97301-3880; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated May 9, 2011

/s/ Tom Holt

[Signature of Representative]

Tom Holt

[Printed Name of Representative]

Director, Legislative & Regulatory Affairs

[Printed Title of Representative]

Regence BlueCross BlueShield of Oregon

FINAL ORDER

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated May 24, 2011

/s/ Scott L. Harra

Scott L. Harra

Acting Director

Department of Consumer and Business Services

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