



Oregon

Kate Brown, Governor

Department of Consumer and Business Services

Division of Financial Regulation

350 Winter St. NE, Room 410

P.O. Box 14480

Salem, OR 97309-0405

July 2, 2021

To: Entities offering health benefit plans

From: Division of Financial Regulation

Subject: Department expectations for coverage of telehealth services under HB 2508

Purpose

The Division of Financial Regulation issues this memorandum to clarify the Division's expectations with respect to coverage of telehealth services under 2021 House Bill 2508.

Background

In 2020, the State of Oregon reached an agreement with several health insurance companies to provide expanded telehealth options and payment parity between telehealth and in-person visits through at least June 30, 2021. This agreement followed joint guidance issued by the Department of Consumer and Business Services (the Department) and the Oregon Health Authority (OHA) requiring health insurance plans of all types to provide coverage for multiple telehealth platforms, and strongly encouraging reimbursement at the same rate as an in-person visit, in an effort to enable alternatives to in-person health care services during the COVID-19 pandemic.

During the 2021 legislative session, the Oregon State Legislature passed HB 2508, and the Governor signed the bill into law June 1. The bill effectively codifies the joint guidance regarding telehealth coverage during the COVID-19 pandemic, and requires health benefit carriers to continue covering telehealth services at the same rate as in-person services. The Bill declared an emergency and its requirements are already in effect.

Guidance for Regulated Entities

Based on discussions with OHA staff, the Department expects the OHA to conduct formal rulemaking in fall of 2021 regarding the application of HB 2508 to Medicaid services. The Department does not have plans to conduct rulemaking regarding the application of HB 2508 at this time, but issues the following interim guidance:

- The Department expects health benefit carriers party to the voluntary agreement to continue to cover telehealth services as required by HB 2508, despite the expiration of the agreement on June 30th, 2021.

- Self-insured employee welfare benefit plans are not subject to the requirements of HB 2508, however, the Department encourages plan administrators to continue covering telehealth services at the same rate as in-person services.
- HB 2508 prohibits health benefit carriers from using telemedicine to meet network adequacy requirements. The Department expects health benefit carriers that previously used telemedical services to meet network adequacy requirements to begin the process of contracting with more providers to resolve network inadequacies created under the law.

This memorandum remains in effect until further notice, or unless amended, revised, or withdrawn by a subsequent written notice by the division.

Sincerely,

A handwritten signature in black ink that reads "Tashia Sizemore". The signature is written in a cursive, flowing style.

Tashia Sizemore
Life and Health Program Manager
Division of Financial Regulation
Oregon Department of Consumer and Business Services
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