

March 9, 2026

Oregon Division of Financial Regulation
350 Winter Street NE
Salem, OR 97301
Submitted via email

Re: Comments on ground ambulance rule

Dear Ms. Emerson,

Kaiser Foundation Health Plan of the Northwest has been following the ground ambulance rulemaking process and would like to provide feedback to the Oregon Division of Financial Regulation (DFR) on the temporary regulation as the DFR considers the permanent regulation language. Kaiser Permanente Northwest is an integrated health care system that covers and cares for Oregonians. We are committed to delivering affordable, coordinated, and high-quality care and coverage that supports not only our members but also the communities we serve.

Thank you for holding the Rulemaking Advisory Committee (RAC) on January 22. I understand from that meeting that the DFR plans to use the language in the temporary rule when it files the proposed rule for public comment. We are now a few months into following the temporary rule, and we'd like to request clarification in the language of the permanent rule.

Provide clarification that health insurers may pay the contracted rate to ground ambulance services contractors

The purpose of HB 3243 and the accompanying regulation is to protect consumers from balance billing for ground ambulance services. When a contractual relationship exists between a health insurer and ground ambulance services contractor, balance billing does not happen because the parties have agreed upon a reimbursement rate for covered services.

Notably, HB 3243 explicitly leaves open the possibility that health benefit plans may continue to contract with ground ambulance services organizations after January 1, 2026. *See* Section 3(2) (requiring the Department of Consumer and Business Services to submit a report regarding “the number of contracts ground ambulance services organizations and health benefit plans entered into on or after January 1, 2026”). Price is an essential element of a contract. Indeed, there would be no purpose to contracting after January 1, 2026, if the parties were not able to freely negotiate price. Therefore, the only logical interpretation of HB 3243 is that ground ambulance services organizations and health benefit plans are permitted to maintain private contracts after January 1, 2026. *See State v. Carpenter*, 365 Or. 488, 495 (Or. 2019) (“In construing a statute, ‘we do not look at one subsection of a statute in a vacuum; rather, we construe each part together with the other parts in an attempt to produce a harmonious whole’”).

This is particularly true in the case where both parties—the ground ambulance services organization and the health benefit plan—are willing to contract for rates that are less than the “established local rate”

and/or 325% of Medicare. Indeed, forcing the parties to use higher rates would directly contradict the purpose of HB 3243, namely, controlling health care costs for hard working Oregonians.

Therefore, we propose the following language to appropriately recognize legislative intent to allow private contracting to continue after January 1, 2026:

(1) The allowed amount paid to ground ambulance services organization for covered ground ambulance services under a health benefit plan must be one of the following amounts:¶

(a)(A) The rate established by the local governmental entity where the covered health care services originated for the provision of ground ambulance services by ground ambulance services organizations owned or operated by the local governmental entity; ~~or~~

(B) Where the ground ambulance services were provided by a private ground ambulance services organization under contract with the local governmental entity where the covered health care services originated, the contracted rate; or¶

(C) Where the ground ambulance services organization has a written contract with the health benefit plan, the contracted rate.

(b) If a rate has not been established under (a) of this subsection, an amount no less than 325 percent of the Medicare rate, as published by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services (CMS) as of January 1, 2026, and thereafter as published by the department in an annual bulletin and made available on the division's website at <https://dfr.oregon.gov/laws-rules/Pages/bulletins.aspx>, or its successor. The bulletin will notify health benefit plans of annual adjustment in the Medicare rate, if any, as published by CMS. The annual adjustment will be effective January 1 of each calendar year.¶

Thank you for considering our request for clarification in the regulation language.

Sincerely,



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