



Oregon

Department of Consumer and Business Services

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INSURANCE DIVISION BULLETIN INS 98-3

Date: July 13, 1998

To: All Health Insurers and Health Care Service Contractors

Subject: FILING REQUIREMENTS FOR HEALTH INSURANCE POLICY FORMS, PER ORS 742.003; APPLICABILITY OF NEGOTIATED POLICY EXCEPTION

The purpose of this bulletin is to clarify the filing requirements for health insurance policy forms under ORS 742.003. Questions regarding these requirements have been raised by insurers and have also arisen in connection with market conduct examinations. **Note:** As used in this bulletin, the term "insurer" refers to carriers offering health insurance policies in Oregon, including health care service contractors.

General Filing Requirements: ORS 742.003(1) requires that all health insurance policy forms, for products in all market segments (large groups, small employer groups, individual, and portability) must be filed for prior approval by the Division.

Exceptions: Exceptions to the general filing requirements are set forth in ORS 742.003. This bulletin specifically addresses the following exception and its applicability to health insurance policies:

- **Group forms which have been agreed upon as a result of negotiations between the policyholder and the insurer (ORS 742.003(1)(c)).** This exception applies to *large group* forms that have been issued to a policyholder who has *actively negotiated specific coverage provisions*. This exception does *not* apply to the following forms, which have separate statutory requirements for prior approval:
 - Small employer groups, and
 - Portability coverage.

To ensure proper documentation and tracking by insurers, all negotiated group forms must have a specific form number assigned by the insurer and affixed to the form that is issued to the policyholder. Also, insurers are reminded that *negotiated group forms remain subject to all relevant provisions of the Insurance Code, including mandated benefits and consumer protections (e.g., SB 21, 1997)*.

Market conduct examiners from the Division will review negotiated group forms during their examinations. Examiners will request a sample of negotiated forms for detailed review and will request insurers to provide:

- A completed certification statement for each form in the sample (see OAR 836-010-0011), and
- A list of the negotiated provisions and their location in the form.

This bulletin is dated the 13th day of July 1998, at Salem, Oregon.

(signed) _____
Nancy Ellison, Administrator