



Hearing Officer's Report to Agency on Rulemaking Hearing

Date: 6/15/2026

To: Department of Consumer and Business Services

From: Lisa Emerson, Hearing Officer

Subject: Ground Ambulance Balance Billing, HB 3243 (2025), ORS 743B.292

Hearing Date/Time: April 22, 2026

Hearing Location: Hybrid meeting conducted in person at Labor and Industries Building and virtually on Microsoft Teams

Comment Period End: April 29, 2026

Background

The Division of Financial Regulation (DFR), on behalf of the Department of Consumer and Business Services (DCBS), conducted a hearing on April 22, 2026, on adopting proposed permanent rules for HB 3243 (2025), ground ambulance balance billing.

HB 3243, codified in ORS 743B.292, protects Oregon consumers from out-of-network balance billing for ground ambulance services. The law prohibits billing health benefit plan enrollees more than the in-network cost sharing amount for these services and sets minimum thresholds for health benefit plan reimbursement. The law requires DCBS to make rules to implement the provisions described in Section 2 of the bill.

Ground ambulance services reimbursement requirements in HB 3243 apply to health benefit plans issued, renewed or extended on or after 1/1/26.

DFR adopted temporary rules effective 1/1/26. DFR proposes minor edits to the temporary rules and two more substantive proposed edits to clarify requirements in rule: 1) Clarification regarding payments by insurers to ground ambulance service organizations with whom insurers have an in-network contract; and 2) clarification that ground ambulance services organizations established local rates are reported to the department for transparency purposes. For billing purposes, the health benefit plan and ground ambulance services organization will determine the payment amount based on the allowed amount at the time and place of the service pursuant to sections (1) and (2) of OAR 836-053-0454.

The proposed permanent rules are scheduled to be effective June 29, 2026, upon expiration of the temporary rules. The proposed rules provide implementation requirements for the provisions in Section 2 of HB 3243 (codified in ORS 743B.292) regarding:

- Consumer cost-sharing for ground ambulance services, including a required timeline for reimbursing consumers for erroneous overpayments.
- Minimum payment amounts to ground ambulance services organizations (GASOs) that are set according to Medicare rates.
- GASO established local rate reporting requirements to the department.
- Requirements for self-funded employer group health plans and State of Oregon PEBB and OEBB plans that elect to opt-in to Oregon’s ground ambulance balance billing law.

To inform the rulemaking process, DCBS convened a Rulemaking Advisory Committee (RAC) that included representatives of ground ambulance service organizations, emergency services, the Association of Oregon Counties, commercial health insurers, and consumer advocates. The RAC provided feedback on draft rule language, data reporting, data collection practices, and potential impacts on equity and administrative burden, helping to ensure that the final rule is both practical and responsive to stakeholder needs.

The RAC met in 2025 on August 5, September 16, October 23, and November 13. A final RAC meeting was held on January 22, 2026.

Hearing

DFR conducted a hybrid public hearing regarding this rulemaking at 1:30 p.m., Pacific Time on April 22, 2026, with a deadline for comment set at 5 p.m., Pacific Time on April 29, 2026. Division staff in virtual attendance included the hearing officer, Karen Winkel division rules coordinator; Brooke Hall, senior health policy analyst and policy team rulemaking lead; Simon Howard, data analyst; Matthew Newell, compliance analyst; Noah Olson, financial enforcement officer; and Ana Pace, market analyst.

Members of the public in virtual attendance:

Antoinette Awuakye, Cambia Health Solutions; Drew Norris, Bend Fire and Rescue; Kindra Harms, Bend Fire and Rescue Ambulance billing supervisor; Michael Lepin, Jefferson County Fire/EMS and president of the Oregon State Ambulance Association; Beau Reitz, Providence Health Plan; Rick Blackwell, director of Oregon government relations, PacificSource Health Plans; Joe Rubin, regulatory consultant; Sabrina Riggs, Oregon State Ambulance Association; Tim Dooley, legislative affairs manager, Association of Oregon Counties; Tracy Thatcher, provider reimbursement configuration manager, Moda health plan; Glenn Zeurcher, managing council, Cigna; Anissa Spotswood, patient transportation, Kaiser Permanente; Brianna Davie, Kaiser Permanente; Gary Holliday, PacificSource Health Plans; Scott White, Moda Health.

The division received oral and written testimony from: Cambia Health Solutions, Oregon State Ambulance Association, PacificSource Health Plans, Providence Health Plan and Bend Fire and Rescue.

Other written testimony submitted by the comment deadline of 5:00 p.m., April 29, 2026, is from: Klamath County Fire; Molalla Rural Fire Protection District; Tualatin Valley Fire & Rescue; Kaiser Permanente and United States of Care.

Summary of Testimony

All health insurers that provided oral testimony and written comments raised concerns with new proposed permanent rule language added to OAR 836-053-0454, Payments to Ground Ambulance Service Organizations. Proposed rule OAR 836-053-0454 (3) states “established local rates are reported to the department by ground ambulance service organizations (GASOs) for transparency purposes or billing purposes. The health benefit plan and ground ambulance service organization will determine the payment amount based on the allowed amount at the time and place of the service pursuant to sections (1) and (2) of OAR 836-053-0454.”

Cambia comments included encouraging the DFR to adopt the same GASO local established rate reporting process that is used by the Washington Office of Insurance Commissioner (WA-OIC); noting their interpretation that the intent of the legislation placed the responsibility with DCBS for informing payors of GASO established local rates; noting that GASOs have the responsibility to report their local established rates in a timely manner, as required under both the temporary and now permanent rules; and requesting that DFR avoid imposing administrative burdens on insurers to independently verify rates by searching GASOs websites for rate information or reaching out to GASOs directly by phone or email.

Both Cambia and PacificSource commented that the definition OAR 836-053-0447(2) "Established local rate", includes an “analysis of the cost” to provide the ground ambulance services and the cost analysis requirement should be part of GASOs’ rate submissions to DFR.

PacificSource (PS) comments noted their interpretation that the GASO rate submission requirement exists so that health plans and the public are not forced to track down hundreds of local jurisdictions to determine the applicable rate, whereas the proposed rules assume that health plans and providers will determine rates at the time and place of service, effectively shifting the administrative burden entirely onto the plans. PS expressed concern that there does not seem to be any limit on the amount of times a local jurisdiction can update an established rate, only that it's published or given notice to the department within 5 days, and argued that this undermines the statutory requirements and should be corrected.

PS also expressed concerns with DFR’s proposal to update Medicare rates annually through a bulletin. The company noted that bulletins do not have legal force and are not an appropriate tool for updating binding reimbursement standards, and argued that if

rates are to be updated that that must occur through formal rulemaking. The company recommend adopting a more narrow rule that incorporates future Medicare updates through rulemaking.

PS comments that there should only be 3 lawful reimbursement paths after passage of House Bill 3243, a contracted rate, 325% of Medicare updated by rule, or an established local rate has been submitted to the department in a timely manner. For that reason they believe the rules governing local rate billing should be removed.

PS comments that they are concerned that the fiscal impact statement understates the effect of the rules, arguing that the proposed framework is likely to increase administrative burden on health plans and reimbursement costs beyond what the law (HB 3243) specifies. PS also comments that the rules would likely increase reimbursement to GASOs, many of which are local government entities, despite the fiscal impact statement estimating that the proposed rules would not have a fiscal impact on local governments. PS comments that the RAC should have spent more time gathering information from the participants on the fiscal impacts these rules may have had on interested parties.

Providence Health Plan (PHP) comments include concerns that the DFR's GASO locally established rates database is being limited to a transparency function and not established as a resource that can be relied upon in payment determinations, and argues that limiting the database to transparency alone reduces its usefulness and creates avoidable challenges, including increased administrative burden, and can lead to delays, which ultimately impacts members.

PHP recommends revising OAR 836-053-0454(3) as follows:

“(3) Established local rates are reported to the department for transparency purposes **and may be used as a reference in determining the allowed amount under sections (1) and (2) of this rule, where applicable.** For billing purposes, the health benefit plan and ground ambulance services organization will determine the payment amount based on the allowed amount at the time and place of the service pursuant to sections (1) and (2) of this rule.”

Kaiser Permanent (KP) commented they support the clarification that health insurers may pay the in-network contracted rate to ground ambulance services organizations. When a contractual relationship exists balance billing does not occur because the parties have agreed to both a specific reimbursement rate for covered services and an express contractual prohibition against balance billing.

KP comments that the legislative intent of publicly posting the dataset was for the dataset to be a resource that health carriers could rely on to find the GASO's established local rate and urges the DFR to reconsider and clarify that a health carrier may rely on the published dataset to determine the appropriate allowable amount for GASO claims.

Oregon State Ambulance Association's (OSAA) oral and written comments support the new language that clarifies where there is an in-network contract between an insurer and an EMS provider that whatever has been negotiated is able to be the reimbursement rate. OSAA feels it is important to remind both the agency and insurers that EMS providers cannot bill above the locally established rates that have been set by the local government.

Bend Fire and Rescue's oral and written comments include concern about insurer reprocessing timelines and accountability. They note that they have experienced, since the start of HB 3243 on January 1, a significant increase in administrative time for the billing and cash posting process due to noncompliance with the law to date and spending considerable amount of time going back and forth between insurance companies debating or reviewing inappropriate or inaccurate payments. They request that the rule language should hold insurers accountable for reprocessing timelines and correct payments.

Bend Fire and Rescue provided comment on the identification of participating self-funded plans, noting that providing GASOs with access to a current opt-in list would improve claims accuracy, reduce rework, and further protect consumers.

Klamath County Fire, Molalla Rural Fire Protection District and Tualatin Valley Fire and Rescue submitted written comment letters with comments similar to Bend Fire and Rescue. They support the intent of HB 3243 and the proposed rules but have remaining concerns with implementation and accountability issues related to insurer claim reprocessing timelines and accountability; and identification of participating self-funded plans.

United States of Care (USC) written comments on behalf of consumers argue that a ground ambulance provider should refund any "erroneous overpayments" back to the patient no later than 30 business days after receipt and, ideally, no later than 30 calendar days. They strongly encourage the agency to update the proposed rules to reflect this. They believe the 45-business day reimbursement turnaround time in the proposed rule is too long, especially for people with low incomes who may be forced to delay necessary expenses, like rent or medicines, while waiting to be reimbursed.

USC comments that they support the robust enforcement of rate reporting requirements included in the proposed rules to avoid any incomplete or inconsistent reporting and allow DCBS and others to compare rates across providers. Doing so will provide a more complete picture of ground ambulance billing rates, help identify any billing outliers or sudden changes in rates, and inform future legislative or regulatory efforts to protect people and lower costs.

Discussion

The division appreciates the comments from all stakeholders.

HB 3243 [2025 (codified as ORS 743B.292)] was effective January 1, 2026. The DFR launched an HB 3243 ground ambulance balance billing law information webpage in late December 2025 to aid with implementation of the new law's provisions. The webpage had a public notice that the GASO established local rates would be posted as soon as possible in the first quarter of 2026. The rates were posted on the DFR website on March 19, 2026.

Prior to March 19th, the DFR provider complaints and compliance section received complaints from a few GASOs that some insurers were not paying their "established local rates" as defined in ORS 743B.292 and OAR 836-053-0447. In addressing these complaints, DFR has consistently directed parties to determine the payment amount based on the established local rate at the time and place of service.

In light of this experience, DFR finds that it is reasonable to add the clarifying language in OAR 836-053-0454(3) to clarify the division's expectation that the legislation requires health benefit plans to reimburse GASOs at their established local rate regardless of whether the established local rates are reported to DCBS. However, we have considered adopting insurer's suggested revisions to proposed rule OAR 836-053-0454(3) to clarify that the rates posted on DCBS's website may be used as a reference in determining the allowed amount under sections (1) and (2) of the rule, where applicable.

The division thoroughly reviewed and considered insurer comments regarding GASOs "analysis of cost" as it relates to the definition of "established local rate" in both in statute and OAR 836-053-0447(2). We do not interpret the law to require DCBS to collect GASO's analysis of cost, which as a general matter are publicly available to insurers and other stakeholders on the websites of and through the individual GASO public bodies. The legislative record does not suggest that DCBS has been charged with monitoring the rate setting process.

The DFR thoroughly reviewed and considered the WA-OIC's ground ambulance balance billing law, rules and procedures as part of Oregon's rulemaking process. DFR has followed WA-OIC's example when possible, but could not adopt all of the WA-OICs administrative rules and procedures because Oregon's statute authorizes a different scope of regulatory authority and oversight.

DFR appreciates PacificSource's comment regarding the annual bulletin process to determine Medicare reimbursement rates for ground ambulance services. To determine the applicable Medicare rate for purposes of establishing the minimum reimbursement amount, DFR must refer to the Medicare rate and has no discretion to adjust that reference rate. Therefore, DFR may adopt a rule that provides for designating that set rate and specify as part of that process that it will issue and publish an annual bulletin to update the referenced Medicare rate. Issuance and publication of the bulletin would be

a non-discretionary application of an existing statute. The bulletin would merely update the specific adjusted Medicare rate that is already required by the statute and rule.

During several RAC meetings, the department solicited feedback from RAC members regarding the Statement of Need and Fiscal Impact (SNFI) form questions, including the “cost of compliance” question. The only feedback we received for the SNFI questions was from GASOs regarding the administrative challenges they would experience regarding the timeframe required to reimburse patients for erroneous balance billings. Many GASOs commented that they could not comply with a 30-business day repayment turnaround timeframe.

The DFR does not find that the new language in proposed permanent rule OAR 836-053-0454(3) will result in administrative burden for insurers or GASOs should they have need to directly communicate with each other to clarify a GASO’s established local rates. The DFR is required by the legislation to annually collect and post GASOs’ current rates on its website, which will provide insurers and other stakeholders with ease of reference and transparency. The new language in this proposed permanent rule is intended to clarify that the rates posted on DFR’s website are not the sole source of information to determine accurate insurance reimbursement. If an insurer has questions about the accuracy of a GASO billing rate after reviewing the billed charges and the GASO rates listed on DFR’s website, the company should engage in appropriate due diligence, likely including communication with the GASO to arrive at the accurate reimbursement amount. In addition, the DFR complaint process is available to assist with provider and insurer dispute resolution and help ensure accurate and timely insurance reimbursement for GASOs.

The DFR appreciates OSAA’s comments, including the support of the new clarifying language added to rule, and their reminders about GASOs’ billing practices and public rate setting process.

The DFR appreciates the GASO provider comments. There are current statutes in the Oregon Insurance Code that establish claim payment (reimbursement) protections for health care providers (including GASOs) by state regulated health (insurer) benefit plans. Please refer to ORS 743B.450, Prompt payment of claims; limits on use of electronic payment methods; rules; ORS 743B.452, Interest on unpaid claims; and ORS 743B.453 Underpayment of claims. The DFR relies on these statutes to assess health insurers’ compliance (and accountability) with claim processing and re-processing timelines. The DFR’s provider complaints and compliance section receives and investigates health care provider complaints, including from GASOs, that are experiencing delayed or inaccurate claim reimbursements.

Regarding GASO comments about “the identification of participating self-funded plans,” self-funded plans that have elected to participate with the ORS 743B.292 are listed on the DFR’s website: <https://dfr.oregon.gov/business/reg/health/Pages/ground-ambulance-rate-reporting.aspx> The division expects this listing to be a reliable method of identifying which self-funded employer plans have opted into Oregon’s ground ambulance balance billing protections.

We appreciate United States of Care’s comments. A 30-business day vs. 45-business day turnaround time requirement for GASOs to refund erroneous overpayments to patients was discussed at length with the RAC and interested parties at several RAC meetings. The majority of GASOs have a public governing board and an internal review and approval process they must follow before overpayment refunds can be processed, and boards often meet no more often than monthly. Several GASOs provided written comments for the temporary rules that a 30-business day turnaround time would be difficult to meet and 45-business days was more realistic for their internal process for approving and executing refunds of overpayments by patients.

Recommendation

Having considered fully the testimony presented at the hearing and the written comments I recommend that the division amend the proposed permanent rules with one change:


Amending the proposed permanent rule language of OAR 836-053-0454(3) to read: “(3) Established local rates are reported to the department for transparency purposes **and may be used as a reference in determining the allowed amount under sections (1) and (2) of this rule, where applicable.** For billing purposes, the health benefit plan and ground ambulance services organization will determine the payment amount based on the allowed amount at the time and place of the service pursuant to sections (1) and (2) of this rule.” (New text in **bold**).

I recommend that the department adopt the remainder of the proposed permanent rules without further modification.

Lisa Emerson
Hearing Officer
Division of Financial Regulation

This Summary and Recommendation are reviewed and adopted.

Signed this 23rd day of June 2026.


TK Keen, Administrator
Insurance Commissioner
Division of Financial Regulation Administrator
Department of Consumer and Business Services