

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

Before the Insurance Administrator
Department of Consumer and Business Services

In the Matter of Rulemaking to Adopt)	
OAR 836-200-0250 and 836-200-0255)	SUMMARY OF TESTIMONY
Relating to Registration of Contracting Entities)	AND HEARING OFFICER'S
That Enter into Contracts for Provider Leasing)	RECOMMENDATION
)	

Recital of Rulemaking Procedures Followed

On September 14, 2011, the Director filed with the Secretary of State a Notice of Proposed Rulemaking Hearing (Notice), giving notice that the Director of the Department of Consumer and Business Services (DCBS) proposed to adopt rules, OAR 836-200-0250 and 836-200-0255. The Notice announced that a rulemaking hearing would be held on November 1, 2011, and that interested persons could submit comment through November 8, 2011. The notice was filed with a Statement, consisting of a Statement of Statutory Authority, Need for Action, Advisory Committee, Principal Documents Relied Upon and Fiscal and Economic Impact. A copy of the Notice was published in the Secretary of State's Oregon Bulletin of October 1, 2010. Copies of the Notice and Statement and the proposed rulemaking were delivered or mailed to all health insurers, to persons on the DCBS Insurance Division mailing list established under the Administrative Procedures Act, to legislators who are required by law to be notified, and to the press and to other interested persons. Copies were also made available to interested persons through the Division's e-notify system and were posted on the Division's website.

The Division presented the draft proposed rules to an advisory committee which met on September 7, 2011.

This rulemaking is necessary to implement the requirements of Senate Bill 634 (2011 Session) by establishing the requirements and process for a contracting entity that is not an insurer operating under a certificate of authority issued by DCBS to register with the department.

A contracting entity is a person that contracts directly with a provider for the delivery of health care services or contracts with a third party for the purposes of selling or making available to the third party the provider's health care services or discounted rates or the services or rates of a provider panel under a provider network contract.

The requirements for registration are minimal. The contracting entity must submit the following to the department:

- The official name of the entity and any secondary, alternative or substitute designations;
- The mailing address and telephone number of the headquarters of the entity;
- The name and phone number of a representative of the entity who shall serve as the primary contact for the department; and
- A \$150 fee.

The rule requires the contracting entity to register annually.

Testimony Received and Hearing Officer Recommendation

The hearing was held as scheduled. Jeannette Holman, Senior Policy Analyst, was the hearing officer. No one attended the hearing, and the Division has not received any written comments for this rulemaking.

The hearing officer recommends that the rulemaking be adopted as proposed.

These rules will take effect upon filing to become effective January 1, 2012.

The rulemaking was reviewed again for its economic effect on businesses, including small businesses, and there is no need for further change. The rulemaking is within the Director's rulemaking authority, and applicable rulemaking procedures were complied with.

Signed this 16th day of November 2011.

Department of Consumer and Business Services

/s/

Jeannette Holman, Hearing Officer

This Summary and Recommendation are reviewed and adopted.

Signed this 16th day of November 2011.

Department of Consumer and Business Services

/s/

Teresa Miller, Insurance Administrator