74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session STAFF MEASURE SUMMARY Senate Committee on Special Committee on Health Care Reform

MEASURE: SB 27 CARRIER:

FISCAL: May have fiscal impact, statement not yet issued	
Action:	Without Recommendation as to Passage and Be Printed Engrossed and Be Referred to the
	Committee on Ways and Means by Prior Reference
Vote:	5 - 0 - 2
Yeas:	Morrisette, Morse, Winters, Bates, Westlund
Nays:	0
Exc.:	Kruse, Monnes Anderson
Prepared By:	Ilana Weinbaum, Administrator
Meeting Dates:	3/12, 3/14, 4/30

REVENUE: May have revenue impact, statement not yet issued **FISCAL:** May have fiscal impact, statement not yet issued

WHAT THE MEASURE DOES: Creates the Oregon Better Health Act ("Act") and identifies principles on which the Act is based. States the intent of the Legislative Assembly in enacting the Act. Establishes the Oregon Health Trust Fund ("Fund") as a vehicle to pool the public resources currently spent on health care in Oregon. Establishes the Oregon Better Health Design Board ("Board") to develop a blueprint for national health reform and determines Board membership and administrative processes. Assigns certain responsibilities to Board, including developing a plan to ensure that all Oregonians have access to treatment for a defined set of essential health conditions ("defined set"), overseeing the actuarial process to create the defined set, and conducting public hearings to determine if defined set is adequate. Directs the Board to make certain actuarial assumptions for purposes of designing benefit and specifies how Board will calculate payment levels. Requires Health Service Commission to establish priorities from among health conditions in ten specified categories, based on criteria publicly debated and agreed upon by the Board. Directs Board to establish six subcommittees to develop recommendations on: options to promote healthy behaviors; options for a mechanism to transfer the value of the public subsidy of employer-sponsored coverage; effective and efficient delivery models; options to finance and implement health information technology services and infrastructure; and addressing the issue of medical liability. Requires Board to develop a comprehensive reform plan based on the recommendations of the subcommittees, specifies information that must be included in the plan, and requires the Board to conduct public hearings on the plan. Requires the Governor, upon approving plan, to present the plan as a legislative proposal to the Legislative Assembly, to request that the Oregon Congressional delegation sponsor federal legislation to support the plan and to request federal authority to implement portions of the plan as pilot projects, including Medicare and Medicaid. Requires the plan include recommendations for the appointment of a permanent Oregon Better Health Board and specifies responsibilities of permanent board. Returns unexpended balance of funds dedicated to the work of the Board to the General Fund on June 30, 2009. Sets deadlines for certain tasks. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Process through which the Oregon Better Health Act was developed
- Successes and failures of current health care system
- Importance of facilitating process by which engaged Oregonians can inform federal policymakers
- Ways in which current federal laws impede state's ability to achieve universal access to care

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: SB 27, the Oregon Better Health Act, was proposed by the Archimedes Movement and emerged from a process of public engagement involving physicians, nurses, hospital executives, insurance and health plan executives, employers, organized labor, and over 7,000 individual consumers from across the state. The Oregon Health Act is based on the principles of equity, equitable financing, population benefit, shared responsibility, education, choice and dignity, effectiveness, efficiency, explicit decision-making, transparency, economic sustainability, aligned financial incentives, wellness, community-based and coordination.