

HB 3391 B BUDGET REPORT and MEASURE SUMMARY

Carrier: Rep. Fahey

Joint Committee On Ways and Means

Action Date: 06/29/17

Action: Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

House Vote

Yeas: 6 - Gomberg, Holvey, Nathanson, Rayfield, Smith Warner, Williamson

Nays: 5 - Huffman, McLane, Smith G, Stark, Whisnant

Senate Vote

Yeas: 7 - Devlin, Frederick, Johnson, Manning Jr, Monroe, Roblan, Steiner Hayward

Nays: 5 - DeBoer, Girod, Hansell, Thomsen, Winters

Prepared By: Tom MacDonald, Department of Administrative Services

Reviewed By: Linda Ames, Legislative Fiscal Office

**Oregon Health Authority
2017-19**

Budget Summary

	2015-17 Legislatively Approved Budget	2017-19 Current Service Level	2017-19 Committee Recommendation	Committee Change from 2015-17 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 10,195,935	\$ 10,195,935	100.0%
Total	\$ -	\$ -	\$ 10,195,935	\$ 10,195,935	100.0%

Position Summary

Authorized Positions	0	0	2	2	
Full-time Equivalent (FTE) positions	0.00	0.00	1.76	1.76	

Summary of Revenue Changes

House Bill 3391 appropriates \$10,195,935 General Fund to the Oregon Health Authority (OHA) to support health benefit plan coverage of specified health care services. The impact of the bill is also expected to result in net savings of \$1,060,279 in Federal Funds expenditures due to fewer unintended pregnancies of women covered in the Citizen Alien Waived Emergent Medical (CAWEM) program.

Summary of Human Services Subcommittee Action

House Bill 3391 updates the state Insurance Code by requiring health benefit plans offered in Oregon to include certain health care services, drugs, devices, products and procedures related to reproductive health. This coverage includes: Well-Women visits; screenings and counseling for sexually transmitted infections; pregnancy related services; screening, counseling and intervention for tobacco use and domestic violence; breast-feeding counseling and supplies; breast cancer screening; certain contraceptives approved by the United States Food and Drug Administration; and voluntary sterilization. Health benefit plans may not impose a deductible, coinsurance, copayment or any other cost-sharing requirement on this coverage. The bill allows insurers to offer religious employers a health benefit plan that does not include coverage for contraceptives or abortion procedures that are contrary to the religious employers' tenets. The bill allows the Department of Business and Consumer Services (DCBS) to grant waivers from the requirements in the bill to the extent necessary to continue receiving Federal Funds and requires the agency to collaborate with OHA to explore federal funding opportunities. DCBS is also required to report to the Legislature by September 15, 2019, on insurers' compliance with the bill, including the issuance of civil penalties to enforce compliance.

The bill also requires OHA to administer a program to reimburse the cost of services described in the bill for individuals who can become pregnant and would be eligible for Medicaid except for their immigration status. This provision becomes operative January 1, 2018 and results in estimated General Fund costs of \$10.2 million for the 2017-19 biennium. The majority of the costs—approximately \$6.2 million—represent

special payments in the Public Health Division to support the expansion of the reproductive health services in 2017-19 to an estimated 22,873 individuals who would be eligible for Medicaid except for immigration status. The bill also results in OHA expanding postpartum services to pregnant women for 60 days after birth for delivery and non-delivery services, which increases the level of non-federal reimbursed services provided to women in the CAWEM program at an estimated General Fund cost of \$3.4 million in the Health Systems Division. This cost is net of General Fund savings of \$38,000 from an estimated 1,146 clients expected to take advantage of contraceptive services, which is expected to lower the number of unintended pregnancies. Federal Funds savings from the reduced number of unintended pregnancies, are expected to total nearly \$1.1 million. The remaining General Fund costs of nearly \$600,000 represent costs for the Public Health Division to administer the program, which includes two positions, and Statewide Assessments and Enterprise-wide costs related to updating systems for medical eligibility and benefits.

The Subcommittee amended the bill, directing OHA to design a statewide program to provide access to abortion coverage for Oregon residents enrolled in health benefits plans that currently do not provide coverage. Both OHA and DCBS must report by November 1, 2017 on any actions taken towards this requirement. The amendment also clarifies health benefit plans are not required to cover abortions if the insurer offering the plan had excluded coverage in all its individual, small group and large group plans, during the 2017 plan year.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Health Authority
Tom MacDonald -- 503-586-6689

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 010-50 - Statewide Assessments and Enterprise-wide Costs									
Special Payments	\$ 113,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,505		
SCR 030-01 - Healthy Systems Division									
Special Payments	\$ 3,399,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,399,000		
SCR 030-05 - Public Health Division									
Personal Services	\$ 289,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 289,942	2	1.76
Services and Supplies	\$ 189,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,128		
Special Payments	\$ 6,204,360	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,204,360		
TOTAL ADJUSTMENTS	\$ 10,195,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,195,935	2	1.76
SUBCOMMITTEE RECOMMENDATION	\$ 10,195,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,195,935	2	1.76