

Legislative Fiscal Office

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Joint Committee on Ways and Means

Sen. Betsy Johnson, Senate Co-Chair
Sen. Elizabeth Steiner Hayward, Senate Co-Chair
Rep. Dan Rayfield, House Co-Chair

Sen. Jackie Winters, Senate Co-Vice Chair
Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Human Services Subcommittee

From: Tom MacDonald, Legislative Fiscal Office

Date: May 30, 2019

Subject: SB 889 – Relating to containing the cost of health care
Work Session Recommendations

Senate Bill 889 establishes the Health Care Cost Growth Benchmark program and the Health Care Cost Growth Benchmark Implementation Committee with the intent of helping to control health care cost expenditures across all payers and providers in Oregon. The benchmark program is required to establish a health care cost growth benchmark for increases in total health care expenditures. The committee is charged with designing an implementation plan for the program, which it must submit to the Oregon Health Policy Board for approval by September 15, 2020. The provisions related to the committee sunset on January 2, 2022.

The -2 amendment includes technical changes, updates definitions consistent with the expectations of the program, and provides several clarifications regarding the work of the committee and the program. The amendment also clarifies the launching of the program by OHA and the Department of Consumer and Business Services with oversight from the Oregon Health Policy Board and in terms of the timing of compliance and enforcement activities. The amendment does not impact the estimated fiscal impact of the bill.

The -3 amendment establishes a \$993,797 General Fund appropriation consistent with the bill's fiscal impact. This funding will support six positions in 2019-21 on a partial biennium basis related to the work of the program and committee.

Recommended Amendments

LFO recommends adoption of the -2 amendment.

MOTION: I move adoption of the -2 amendment to SB 889 (VOTE)

LFO recommends adoption of the -3 amendment.

MOTION: I move adoption of the -3 amendment to SB 889 (VOTE)

Final Subcommittee Action

LFO recommends SB 889, as amended by the -2 and -3 amendments, be moved to the Ways and Means Full Committee.

MOTION: I move SB 889, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____