

## SB 706 -1 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

---

**Prepared By:** Oliver Droppers, LPRO Analyst

**Meeting Dates:** 3/8

---

#### **WHAT THE MEASURE DOES:**

Directs Oregon Health Authority (OHA) to convene workgroup to develop, evaluate, and implement outreach and marketing strategies to enroll eligible Compact of Free Association (COFA) citizens in medical assistance. Specifies OHA is to administer \$500,000 grant to support targeted outreach and application assistance. Transfers remaining COFA premium assistance funds to OHA to enroll COFA citizens in medical assistance. Declares emergency, effective on passage.

#### **ISSUES DISCUSSED:**

##### **EFFECT OF AMENDMENT:**

-1 Removes repeal of current statutory provisions for the COFA Premium Assistance Program. Decreases grant funding from \$500,000 to \$300,000; specifies grant funding is for each calendar year. Delays work group and appropriation to June 20, 2022.

*REVENUE: May have revenue impact, but no statement yet issued.*

*FISCAL: May have fiscal impact, but no statement yet issued.*

#### **BACKGROUND:**

After World War II, the United States assumed administration of the Trust Territory of the Pacific Islands. Individuals from these islands, referred to as “Compact of Free Association” (COFA) citizens, can freely migrate, without work permits or visas, and study, live, and work in the United States. In a June 2020 report released by the General Accounting Office, an estimated 94,000 COFA citizens resided in the United States. In 2016, the Oregon Legislative Assembly established the COFA Premium Assistance Program as these individuals were not eligible for Medicaid under federal law (Personal Responsibility and Work Opportunity Reconciliation Act of 1996).

The program provides financial assistance to enable low-income COFA citizens residing in Oregon to purchase health insurance through the federal marketplace and to pay out-of-pocket costs associated with the coverage. The program does not provide financial assistance for dental coverage, as most of the federal marketplace health plans do not include adult dental benefits, and federal subsidies are not designed to cover them. According to the Department of Consumer and Business Services (DCBS), in 2019, 743 applications were received and 823 individuals qualified for the program. It is estimated that Oregon leverages \$9 of federal funds through advance premium tax credits for every \$1 of Oregon state funds contributes.

In December 2020, Congress passed a COVID-relief bill restoring Medicaid eligibility for COFA citizens residing in the United States. Upon passage of the federal legislation, COFA citizens who reside in the 50 states and meet other Medicaid eligibility criteria are now eligible for Medicaid.

Senate Bill 706 supports outreach efforts to enroll low-income COFA citizens in the Oregon Health Plan.