

A-Engrossed House Bill 2010

Ordered by the House April 16
Including House Amendments dated April 16

Sponsored by Representative SALINAS, Senator BEYER, Representatives NOSSE, HAYDEN; Representatives ALONSO LEON, CAMPOS, DEXTER, MARSH, NOBLE, PHAM, REYNOLDS, RUIZ, SANCHEZ, WILDE, WILLIAMS, Senator JAMA

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Creates public option to allow consumers to enroll in state-designed health plans through health insurance exchange.]

Directs Oregon Health Authority, in collaboration with Department of Consumer and Business Services, to create implementation plan for public health plan to be made available to individuals and families in individual health insurance market and to small employers. Requires authority and department to conduct analyses of specified subjects regarding public health plan. Requires authority and department to report to Legislative Assembly by January 1, 2022, on implementation plan, results of analyses and recommendations for structure, design and other elements of public health plan.

Sunsets January 2, 2023.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to health care; and declaring an emergency.

3 Whereas the Legislative Assembly intends to create a state-supported public health plan for
4 Oregonians to achieve the Legislative Assembly's goal of universal access to affordable, high quality
5 insurance coverage by providing new and more affordable coverage options to individuals and small
6 businesses that struggle to afford health care or health insurance due to premium and out-of-pocket
7 costs; and

8 Whereas the public health plan should be designed to support and advance other state efforts
9 to improve value and contain costs, including prioritization of health equity, the statewide health
10 care cost growth target, advancing the integrated and coordinated care delivery system, advancing
11 value-based payment methods and moving the health system in this state to using a global budget;
12 and

13 Whereas the public health plan should provide more consumer-friendly plan design with lower
14 out-of-pocket costs and make health care more accessible at the point of care; and

15 Whereas the public health plan should support the Legislative Assembly's goal to align health
16 system transformation goals and efforts across state programs, including state-sponsored health
17 programs and the health insurance exchange, and to align expectations of the health care delivery
18 system; and

19 Whereas the state should leverage its purchasing power as the largest purchaser of health in-
20 surance, covering nearly 40 percent of the state between the medical assistance program, public
21 employees and the health insurance exchange, to help reduce and control costs and increase the
22 quality and value of care delivered in this state, including through the bulk purchasing of pre-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 description drugs and the production of generic prescription drugs; now, therefore,

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1. (1) The Oregon Health Authority, in collaboration with the Department of**
4 **Consumer and Business Services, shall create an implementation plan for a public health**
5 **plan to be made available to individuals and families in the individual health insurance mar-**
6 **ket. The plan may also be made available to small employers whose employees struggle with**
7 **health care costs.**

8 (2) The authority and the department shall analyze:

9 (a) Potential federal opportunities to support a state-supported public health plan such
10 as a basic health plan or, in collaboration with the Department of Consumer and Business
11 Services, a waiver for state innovation, under the Patient Protection and Affordable Care
12 Act, options for the state to obtain federal waivers to further increase affordability or other
13 opportunities.

14 (b) Which populations in this state are most in need of new coverage options and how
15 new options could be tailored to the needs of specific population.

16 (c) The effect that introducing a public health plan may have on the overall stability of
17 insurance markets in this state.

18 (d) How the American Rescue Plan Act of 2021 (P.L. 117-2) and other federal program
19 changes may improve affordability and access to coverage and how these changes inform
20 state policy options related to developing a new coverage option.

21 (e) How a state-based technology platform could further the implementation and acces-
22 sibility of a public health plan.

23 (f) Adverse consequences of certain design elements which the state may wish to avoid,
24 including not adopting a public health plan.

25 (g) What level of additional subsidies, such as premium assistance or cost-sharing sub-
26 sidies, would help with affordability for Oregonians struggling with health care costs.

27 (h) Coverage strategies being developed by the Task Force on Universal Health Care.

28 (3) Based on the analyses performed under subsection (2) of this section, the authority
29 and the department shall make recommendations on:

30 (a) The operating structure and governance of the public health plan, including which
31 agency will administer the plan and how a delivery system will be procured.

32 (b) How the state can leverage existing state-backed plans or networks, such as coordi-
33 nated care organizations and plans offered by the Public Employees' Benefit Board and the
34 Oregon Educators Benefit Board, to offer a more affordable option.

35 (c) Plan design options to reduce out-of-pocket costs for individuals to reduce barriers
36 to care at the point of service.

37 (d) How the plan can further the state goals of health system transformation including
38 but not limited to:

39 (A) The use of value-based payment and global budgets;

40 (B) Eliminating health disparities;

41 (C) Aligning quality and access metrics; and

42 (D) Meeting the state's cost growth target.

43 (e) Cost containment options and opportunities for the state to leverage state purchasing
44 power to ensure program affordability and ensure that per capita costs stay within the cost
45 growth target.

1 (f) Plan and program design options aligned with the state’s goal of eliminating health
2 inequities in the next 10 years.

3 (g) Other structural and program changes the state could make to ensure successful
4 implementation of any plans developed, including how a state-based technology platform
5 could further the implementation and accessibility of a public health plan option.

6 (h) Enrollment infrastructure that may be needed by coordinated care organizations, if
7 coordinated care organizations are the recommended delivery system, to enroll members in
8 a separate program.

9 (i) Outreach infrastructure and investments that would support educating people in this
10 state, particularly communities of color and populations with above-average uninsured rates,
11 about available options for subsidized coverage and newly available options under the Amer-
12 ican Rescue Plan Act of 2021 (P.L. 117-2), and support increasing enrollment of eligible indi-
13 viduals in existing programs that provide affordable coverage.

14 (j) Statutory changes needed to implement the recommendations.

15 (4) The authority and the department may rely upon previous studies on implementing
16 a basic health plan or other public options conducted for the state by Manatt, Phelps and
17 Phillips, research and consultation from the Task Force on Universal Health Care and any
18 other relevant public option studies or reports completed within the past five years.

19 (5) The authority and the department shall contract with outside experts, if necessary,
20 to get the needed analyses within the required deadlines.

21 (6) No later than January 1, 2022, the authority and the department shall report to the
22 Legislative Assembly, in the manner provided in ORS 192.245, on the implementation plan
23 created under subsection (1) of this section, including the analyses under subsection (2) of
24 this section and recommendations under subsection (3) of this section. The report shall also
25 include any future legislative changes needed to secure federal waivers or federal funding or
26 any additional state authority needed to implement the public health plan.

27 (7) The authority may take steps necessary to obtain federal approval, if necessary, to
28 implement a public health plan and to convey to the Centers for Medicare and Medicaid
29 Services this Legislative Assembly’s support for a public health plan.

30 **SECTION 2.** Section 1 of this 2021 Act is repealed on January 2, 2023.

31 **SECTION 3.** This 2021 Act being necessary for the immediate preservation of the public
32 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect
33 on its passage.

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