

Let's be clear about the risks of the game this bill is playing

Here's text of the bill:

HB 2010

<https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/HB2010>

SECTION 1. (1) As used in this section and section 2 of this 2021 Act:

(2) A public option is created to provide residents of this state with the opportunity to enroll in state-designed health plans through the health insurance exchange.

(3) An insurance carrier that contracts with the Public Employees' Benefit Board or the Oregon Educators Benefit Board to offer one or more health plans to public employees, or that contracts with the Oregon Health Authority as part of a coordinated care organization or that offers a Medicare Advantage Plan in this state, shall offer public option health plans at the silver level and gold level that are approved by the department as meeting the criteria in subsection (4) of this section.

Here's a single-payer proponent's definition that matches the pre-ACA definition of a government-owned plan that essentially underwrites the cost of the risk:

What is a 'public option'? And why does it matter? (11/5/2019)

<https://pnhp.org/news/what-is-a-public-option-and-why-does-it-matter/>

The idea of a public option is not complicated. In this scheme, **the government would create a public financing system** identical to Medicare.

Here's something that shows how demagogues were well on the way to co-opting the terminology for their own purposes by the 2020 campaign:

Public Option Health Insurance Pros and Cons (3/2/2020)

An Explanation for the Debate

<https://www.verywellhealth.com/public-option-health-insurance-pros-and-cons-2615248>

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A public option health insurance program would be run by the government but could be implemented just like private health insurance.

- **Self-sustaining:** One option is to require a public health insurance to be self-sustaining; that is, paid for only by the premiums paid by those who "belong" to that program.
- **Tax Subsidized:** Another option would be for the premium costs to be subsidized through government taxes.
- **Federal or State Administered:** Another approach is that the public option might not be handled solely by the federal government; instead, it could be administered by individual states, which would set their own requirements.

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And here's how the terminology had been completely co-opted by the 2020 election

What States Mean by a 'Public Option' (6/6/2019)

<https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2019/06/06/what-do-states-mean-when-they-say-public-option>

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Under the law, Washington **must contract with at least one private carrier** to begin offering a public option in the year 2021. Under the contract, the carrier would have to meet state requirements related to transparency, administrative costs and purchasing that do not apply to other carriers.

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Here's the risk of this kind of political semantic game-playing:

Options for Designing a Public Option

<https://www.rand.org/blog/2020/05/options-for-designing-a-public-option.html>

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Certain Public Option Designs Could Pose Risks to Some Low- to Moderate-Income Enrollees

One might think that lower premiums are great for all enrollees. However, lower premiums can increase costs for some consumers. As noted earlier, APTCs ("Advance Premium Tax Credits" PDF), which now help finance 69% of all individual-market coverage, **are based on the benchmark premium**. If that falls, APTC beneficiaries enrolled in the benchmark plan would be unaffected because their cost to buy that plan is based entirely on income.

However, APTC enrollees in plans that charge less than the benchmark could wind up paying more, since their APTC amounts would decline.

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