

Previous public testimony about HB 2010 noted that the bill orders creation of a deceptively named "public option" insurance plan:

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.

The sweeping -1 Amendment instead orders a study and design of such a plan:

PROPOSED AMENDMENTS TO HOUSE BILL 2010

<https://olis.oregonlegislature.gov/liz/2021R1/Downloads/ProposedAmendment/19594>

SECTION 1. (1) The Oregon Health Authority, in collaboration with the Department of Consumer and Business Services, shall conduct **a study and prepare a report** on a public option health insurance plan and design options for silver and gold level plans to be offered through the public option health insurance plan on the health insurance exchange by January 1, 2024.

The ACA's Democratic proponents deflected well-founded criticisms about the destabilizing effect of the ideology-based systemic biases of Advanced Premium Tax Credits (APTCs) on both the health care system and health insurance system by effectively pricing APTCs based on the health care, and in turn health insurance costs, in a geographic region.

As written, HB 2010 and the -1 amendment potentially pushes aside this weak safeguard:

Options for Designing a Public Option

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

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, 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.

HB 2010 as written, or as amended by the -1 amendment, must be amended to require that the plan design in the case of the original bill or the study report in the case of the -1 amendment, respectively, shall:

- 1) Assess the systemic biases the state-designed plan would introduce, including through changes in the benchmark premium, in our health care and health insurance system, including costs.
- 2) Assess whether the Federal government will allow Oregon to exclude the state-designed plan from the plans used to determine the benchmark premium.
- 3) Specifically assess any consequences of all bills passed by the Legislative Assembly in the 2021-2023 Legislative Sessions that address Oregon's health care system and health insurance system.