

To: House Health Care Committee
From: Alicia Temple, Oregon Law Center
Date: February 9, 2022
Re: HB 4035 Basic Health Plan

Chair Prusak and members of the committee:

On behalf of the Oregon Law Center (OLC), I am writing today in support of finding a solution for the hundreds of thousands of people who are at risk of losing their OHP coverage once we get to the end of the public health emergency.

OLC is a non-profit organization that provides free legal help to people struggling to make ends meet. Our mission is to achieve justice for low-income communities in Oregon by providing a full range of the highest quality civil legal services. We advocate for our clients and for the services and programs that help them to both overcome poverty and achieve justice. Access to healthcare is one of the foundational pieces to justice for our clients.

Due to the federal public health emergency declaration, states across the country have been able to put Medicaid redeterminations on hold. This has created continuity of health coverage for low-income Oregonians over the past two years. It has resulted in 1.4 million people currently enrolled on the Oregon Health Plan and record low uninsured rates in our state.

When this emergency declaration ends, potentially as soon as April 2022, OHA will be required to re-start redeterminations and they anticipate as many as 300,000 people will lose OHP coverage. This will leave hundreds of thousands of Oregonians, many of whom are making just barely above the Medicaid cut-off, without health coverage.

The redetermination process itself can be time intensive and difficult for OLC clients. Although it has improved significantly over the last 7 years, it can take significant outreach and time to ensure someone is able to go through the process and provide the correct documentation. OLC has had clients in the past who were terminated due to redetermination who were in the middle of cancer treatment, which added significant stress to an already terrible time and threatened their health.

Beyond the impact of redeterminations on individuals who do still qualify for OHP, OLC has long been concerned for our clients who have variable incomes. The benefits cliff is most apparent when we look at access to healthcare. Our clients who are low income wage earners often feel like they are punished for earning a little more money because then they lose the health care they need. Perhaps they are making more than 138% FPL for a few months, but then have their hours cut, or experience a change in child care availability, or any of the other barriers to work that may come up which results in a drop of income back

to a level where they'd be OHP eligible. When they do qualify again in a few months they have to go through the application process again but this time their medical care has already been interrupted, and they have to start all over again with applications and assignments to CCOs, etc.

The solution being discussed in HB 4035 is critical for this population. By developing an affordable “bridge plan” or “basic health plan” for Oregonians who earn a little too much for OHP, but not enough to afford their own plan, even with subsidies, we can prevent the loss of health coverage and access to care that so many in this income range experience over and over again. This is a solution that has been talked about in past legislative sessions, but never has the need been as stark as it is right now.

OLC also hopes that a basic health plan could solve another problem that has long existed for our low-income clients—the exclusion of people who are Lawful Permanent Residents but who haven't been for 5 years yet. Many other states have already created programs so that people in the “5 year bar” can get state health care coverage. Oregon has made significant strides, but those that fall in this category still need help accessing health coverage.

Creating a Basic Health Plan in HB 4035 could be crucial to reach the health equity goals of the state, create a more streamlined system that doesn't just kick people off because they make a small amount more money for a few months, and support basic health care for Oregonians so that people who are already on the economic margins aren't afraid to go to the doctor lest it bankrupt them.