

SENATE AMENDMENTS TO SENATE BILL 704

By COMMITTEE ON HEALTH CARE

March 27

1 On page 1 of the printed bill, delete lines 4 through 30 and delete pages 2 and 3 and insert:

2 **“SECTION 1. (1) The Universal Health Plan Governance Board is established in the De-**
3 **partment of Consumer and Business Services, consisting of nine members appointed by the**
4 **Governor who must:**

5 **“(a) Support the objective of the board described in section 2 (2) of this 2023 Act;**

6 **“(b) Support the values and principles expressed in section 2 (3)(a) and (b) of this 2023**
7 **Act; and**

8 **“(c) Represent a variety of health care professionals and community perspectives, in-**
9 **cluding individuals with experience:**

10 **“(A) As enrollees in the state medical assistance program or Medicare; and**

11 **“(B) Being without health insurance coverage.**

12 **“(2) Of the membership of the board:**

13 **“(a) Five members must have expertise in health care delivery, health care finance,**
14 **health care operations or public administration; and**

15 **“(b) Four members must be focused on public engagement.**

16 **“(3) The term of office of each member of the board is four years, but a member serves**
17 **at the pleasure of the Governor. Before the expiration of the term of a member, the Gover-**
18 **nor shall appoint a successor whose term begins on January 2 next following. A member is**
19 **eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an**
20 **appointment to become immediately effective for the unexpired term.**

21 **“(4) The appointment of each member of the board is subject to confirmation by the**
22 **Senate in the manner prescribed in ORS 171.562 and 171.565.**

23 **“(5) A member of the board is entitled to compensation and reimbursement of actual and**
24 **necessary travel and other expenses incurred by the member in the performance of the**
25 **member’s official duties in accordance with ORS 292.495.**

26 **“(6) The board shall select one of its members as chairperson and another as vice**
27 **chairperson, for terms and with duties and powers necessary for the performance of the**
28 **functions of the offices as the board determines.**

29 **“(7) A majority of the members of the board constitutes a quorum for the transaction**
30 **of business.**

31 **“(8) The board shall meet at a time and place determined by the board. The board also**
32 **may meet at other times and places specified by the call of the chairperson or of a majority**
33 **of the members of the board.**

34 **“(9) In accordance with applicable provisions of ORS chapter 183, the board may adopt**
35 **rules necessary for the administration of the laws that the board is charged with adminis-**

1 **tering.**

2 **“(10)(a) The board may establish any advisory or technical committees the board con-**
3 **siders necessary to aid and advise the board in the performance of its functions. The com-**
4 **mittees may be continuing or temporary committees. The board shall determine the**
5 **representation, membership, terms and organization of the committees and shall appoint the**
6 **members of the committees.**

7 **“(b) Members of the committees are not entitled to compensation but, in the discretion**
8 **of the board, may be reimbursed from funds available to the board for actual and necessary**
9 **travel and other expenses incurred by the members in the performance of official duties in**
10 **the manner and amount provided in ORS 292.495.**

11 **“(11)(a) The board shall appoint an executive director to serve at the pleasure of the**
12 **board, to be responsible for the administrative operations of the board and to perform such**
13 **other duties as may be designated or assigned to the executive director from time to time**
14 **by the board. The board shall fix the compensation of the executive director in accordance**
15 **with ORS chapter 240.**

16 **“(b) Subject to any applicable provisions of ORS chapter 240, the executive director shall**
17 **appoint staff as needed for policy analysis and administrative support.**

18 **“(c) The executive director shall contract with experts and consultants as necessary to**
19 **carry out section 2 (3) of this 2023 Act.**

20 **“SECTION 2. (1) As used in this section, ‘single payer health care financing system’**
21 **means a universal system used by the state to pay the cost of health care services and goods**
22 **in which:**

23 **“(a) Institutional providers are paid directly for health care services or goods by the**
24 **state or paid by an administrator that does not bear risk in contracting with the state;**

25 **“(b) Institutional providers are paid with global budgets that separate capital budgets,**
26 **established through regional planning, and operational budgets;**

27 **“(c) Group practices are paid directly for health care services or goods by the state, by**
28 **an administrator that does not bear risk in contracting with the state, by the employer of**
29 **the group practice or by an institutional provider; and**

30 **“(d) Individual health care providers are paid directly for health care services or goods**
31 **by the state, by their employers, by an administrator that does not bear risk in contracting**
32 **with the state, by an institutional provider or by a group practice.**

33 **“(2) The Universal Health Plan Governance Board established in section 1 of this 2023**
34 **Act shall create a comprehensive plan to finance and administer a Universal Health Plan that**
35 **is responsive to the needs and expectations of the residents of this state by:**

36 **“(a) Improving the health status of individuals, families and communities;**

37 **“(b) Defending against threats to the health of the residents of this state;**

38 **“(c) Protecting individuals from the financial consequences of ill health;**

39 **“(d) Providing equitable access to person-centered care;**

40 **“(e) Removing cost as a barrier to accessing health care;**

41 **“(f) Removing any financial incentive for a health care practitioner to provide care to one**
42 **patient rather than another;**

43 **“(g) Making it possible for individuals to participate in decisions affecting their health**
44 **and the health system;**

45 **“(h) Establishing measurable health care goals and guidelines that align with other state**

1 and federal health standards;

2 “(i) Promoting continuous quality improvement and fostering interorganizational collab-
3 oration; and

4 “(j) Focusing on coverage of evidence-based health care and services.

5 “(3) In developing the plan and the recommendations to the Legislative Assembly under
6 subsection (4) of this section, the board shall:

7 “(a) Consider, at a minimum, the following values:

8 “(A) Health care, as a fundamental element of a just society, must be secured for all in-
9 dividuals on an equitable basis by public means, similar to public education, public safety and
10 public infrastructure;

11 “(B) Race, color, national origin, age, disability, wealth, income, citizenship status, pri-
12 mary language, genetic conditions, previous or existing medical conditions, religion or sex,
13 including sex stereotyping, gender identity, sexual orientation and pregnancy and
14 pregnancy-related medical conditions may not create barriers to health care nor result in
15 disparities in health outcomes due to the lack of access to care;

16 “(C) The components of the Universal Health Plan must be accountable and fully trans-
17 parent to the public regarding information, decision-making and management through
18 meaningful public participation; and

19 “(D) Funding for the Universal Health Plan is a public trust and any savings or excess
20 revenue must be returned to the public trust;

21 “(b) Consider, at a minimum, the following principles:

22 “(A) A participant in the Universal Health Plan may choose any individual provider who
23 is licensed, certified or registered in this state or may choose any group practice;

24 “(B) The plan may not discriminate against any individual health care provider who is
25 licensed, certified or registered in this state to provide services covered by the plan and who
26 is acting within the provider’s scope of practice;

27 “(C) A participant in the plan and the participant’s health care provider shall determine,
28 within the scope of services covered within each category of care and within the plan’s pa-
29 rameters for standards of care and requirements for prior authorization, whether a service
30 or good is medically necessary or medically appropriate for the participant; and

31 “(D) The plan shall cover health care services and goods from birth to death, based on
32 evidence-informed decisions as determined by the board;

33 “(c) Assess the readiness of key health care and public institutions to carry out the plan
34 and collaborate with state agencies, including the Oregon Health Authority and the Depart-
35 ment of Human Services, to determine how the agencies’ existing systems will integrate with
36 the Universal Health Plan;

37 “(d) Consider the recommendations of the Joint Task Force on Universal Health Care in
38 the report approved by the task force on September 29, 2022, including the recommendations
39 to establish a single payer health care financing system that are consistent with subsection
40 (1) of this section;

41 “(e) Identify statutory authorities and information technology infrastructure needed for
42 overall plan operations;

43 “(f) Evaluate how to work with the nine federally recognized Indian tribes in Oregon and
44 existing boards, commissions and councils concerned with health care and health insurance;

45 “(g) Work collaboratively with partners across the complexities of the health care sys-

1 tem, including hospitals, health care providers, insurers and coordinated care organizations,
2 to build a sustainable health care financing system that delivers care equitably;

3 “(h) Engage with regional organizations to identify strategies to reduce the complexities
4 and administrative burdens on participants in the health care workforce and to otherwise
5 address workforce challenges;

6 “(i) Study and address the impacts of the Universal Health Plan with respect to specific
7 types of employers;

8 “(j) Design the administrative and financing structure for the Universal Health Plan;

9 “(k) Engage with the Governor’s office, the Oregon Health Authority and federal au-
10 thorities to ascertain and describe, if not yet in federal or state law, necessary federal
11 waivers or other options to secure federal and state funding and to implement the Universal
12 Health Plan;

13 “(L) Include a plan to create a Universal Health Plan Trust Fund in the State Treasury,
14 separate and distinct from the General Fund, consisting of moneys from all sources, public
15 and private, that are allocated to or deposited to the Universal Health Plan Trust Fund for
16 the purpose of financing the planning for and the administration and operation of the Uni-
17 versal Health Plan by the Universal Health Plan Governance Board, with any moneys in the
18 Universal Health Plan Trust Fund at the end of the biennium being retained in the Universal
19 Health Plan Trust Fund;

20 “(m) Include a plan to create an independent public corporation that shall exercise and
21 carry out all powers, rights and privileges that are:

22 “(A) Expressly conferred upon the board;

23 “(B) Incident to such powers, rights and privileges; or

24 “(C) Implied by law; and

25 “(n) Ensure that the proposed plan will include all Oregon residents equitably.

26 “(4) No later than September 15, 2026, the Universal Health Plan Governance Board shall
27 present to the interim committees of the Legislative Assembly related to health, in the
28 manner provided in ORS 192.245, and to the Governor, a comprehensive plan for the imple-
29 mentation of the Universal Health Plan.

30 “SECTION 3. (1) The Universal Health Plan Governance Board shall provide a status re-
31 port no later than December 1 of each year, beginning in 2024, to the interim committees
32 of the Legislative Assembly related to health, on the progress in the development of the
33 comprehensive plan and any needed legislative changes.

34 “(2) The report need not be in compliance with ORS 192.245.

35 “SECTION 4. (1) Notwithstanding the term of office specified by section 1 of this 2023
36 Act, of the members first appointed to the Universal Health Plan Governance Board:

37 “(a) Two shall serve for terms ending January 2, 2025.

38 “(b) Two shall serve for terms ending January 2, 2026.

39 “(c) Two shall serve for terms ending January 2, 2027.

40 “(d) Three shall serve for terms ending January 2, 2028.

41 “(2) Notwithstanding section 1 (11) of this 2023 Act, the Governor shall appoint an exec-
42 utive director of the board and fix the compensation of the executive director in accordance
43 with ORS chapter 240 without undue delay after the effective date of this 2023 Act who shall
44 serve at the pleasure of the Governor until the full board has been appointed by the Gover-
45 nor and confirmed by the Senate.

1 “**SECTION 5.** Section 2 of this 2023 Act is amended to read:

2 “**Sec. 2.** (1) As used in this section, ‘single payer health care financing system’ means a uni-
3 versal system used by the state to pay the cost of health care services and goods in which:

4 “(a) Institutional providers are paid directly for health care services or goods by the state or
5 paid by an administrator that does not bear risk in contracting with the state;

6 “(b) Institutional providers are paid with global budgets that separate capital budgets, estab-
7 lished through regional planning, and operational budgets;

8 “(c) Group practices are paid directly for health care services or goods by the state, by an ad-
9 ministrator that does not bear risk in contracting with the state, by the employer of the group
10 practice or by an institutional provider; and

11 “(d) Individual health care providers are paid directly for health care services or goods by the
12 state, by their employers, by an administrator that does not bear risk in contracting with the state,
13 by an institutional provider or by a group practice.

14 “(2) The Universal Health Plan Governance Board established in section 1 of this 2023 Act shall
15 create a comprehensive plan to finance and administer a Universal Health Plan that is responsive
16 to the needs and expectations of the residents of this state by:

17 “(a) Improving the health status of individuals, families and communities;

18 “(b) Defending against threats to the health of the residents of this state;

19 “(c) Protecting individuals from the financial consequences of ill health;

20 “(d) Providing equitable access to person-centered care;

21 “(e) Removing cost as a barrier to accessing health care;

22 “(f) Removing any financial incentive for a health care practitioner to provide care to one pa-
23 tient rather than another;

24 “(g) Making it possible for individuals to participate in decisions affecting their health and the
25 health system;

26 “(h) Establishing measurable health care goals and guidelines that align with other state and
27 federal health standards;

28 “(i) Promoting continuous quality improvement and fostering interorganizational collaboration;
29 and

30 “(j) Focusing on coverage of evidence-based health care and services.

31 “(3) In developing the plan [*and the recommendations to the Legislative Assembly under subsection*
32 *(4) of this section*], the board shall:

33 “(a) Consider, at a minimum, the following values:

34 “(A) Health care, as a fundamental element of a just society, must be secured for all individuals
35 on an equitable basis by public means, similar to public education, public safety and public
36 infrastructure;

37 “(B) Race, color, national origin, age, disability, wealth, income, citizenship status, primary lan-
38 guage, genetic conditions, previous or existing medical conditions, religion or sex, including sex
39 stereotyping, gender identity, sexual orientation and pregnancy and pregnancy-related medical con-
40 ditions may not create barriers to health care nor result in disparities in health outcomes due to
41 the lack of access to care;

42 “(C) The components of the Universal Health Plan must be accountable and fully transparent
43 to the public regarding information, decision-making and management through meaningful public
44 participation; and

45 “(D) Funding for the Universal Health Plan is a public trust and any savings or excess revenue

1 must be returned to the public trust;

2 “(b) Consider, at a minimum, the following principles:

3 “(A) A participant in the Universal Health Plan may choose any individual provider who is li-

4 censed, certified or registered in this state or may choose any group practice;

5 “(B) The plan may not discriminate against any individual health care provider who is licensed,

6 certified or registered in this state to provide services covered by the plan and who is acting within

7 the provider’s scope of practice;

8 “(C) A participant in the plan and the participant’s health care provider shall determine, within

9 the scope of services covered within each category of care and within the plan’s parameters for

10 standards of care and requirements for prior authorization, whether a service or good is medically

11 necessary or medically appropriate for the participant; and

12 “(D) The plan shall cover health care services and goods from birth to death, based on

13 evidence-informed decisions as determined by the board;

14 “(c) Assess the readiness of key health care and public institutions to carry out the plan and

15 collaborate with state agencies, including the Oregon Health Authority and the Department of Hu-

16 man Services, to determine how the agencies’ existing systems will integrate with the Universal

17 Health Plan;

18 “[*d*] Consider the recommendations of the Joint Task Force on Universal Health Care in the report

19 approved by the task force on September 29, 2022, including the recommendations to establish a single

20 payer health care financing system that are consistent with subsection (1) of this section;]

21 “[*e*] (d) Identify statutory authorities and information technology infrastructure needed for

22 overall plan operations;

23 “[*f*] (e) Evaluate how to work with the nine federally recognized Indian tribes in Oregon and

24 existing boards, commissions and councils concerned with health care and health insurance;

25 “[*g*] (f) Work collaboratively with partners across the complexities of the health care system,

26 including hospitals, health care providers, insurers and coordinated care organizations, to build a

27 sustainable health care financing system that delivers care equitably;

28 “[*h*] (g) Engage with regional organizations to identify strategies to reduce the complexities

29 and administrative burdens on participants in the health care workforce and to otherwise address

30 workforce challenges;

31 “[*i*] (h) Study and address the impacts of the Universal Health Plan with respect to specific

32 types of employers;

33 “[*j*] (i) Design the administrative and financing structure for the Universal Health Plan;

34 “[*k*] (j) Engage with the Governor’s office, the Oregon Health Authority and federal authorities

35 to ascertain and describe, if not yet in federal or state law, necessary federal waivers or other

36 options to secure federal and state funding and to implement the Universal Health Plan;

37 “[*L*] (k) Include a plan to create a Universal Health Plan Trust Fund in the State Treasury,

38 separate and distinct from the General Fund, consisting of moneys from all sources, public and pri-

39 vate, that are allocated to or deposited to the Universal Health Plan Trust Fund for the purpose

40 of financing the planning for and the administration and operation of the Universal Health Plan by

41 the Universal Health Plan Governance Board, with any moneys in the Universal Health Plan Trust

42 Fund at the end of the biennium being retained in the Universal Health Plan Trust Fund;

43 “[*m*] (L) Include a plan to create an independent public corporation that shall exercise and

44 carry out all powers, rights and privileges that are:

45 “(A) Expressly conferred upon the board;

1 “(B) Incident to such powers, rights and privileges; or

2 “(C) Implied by law; and

3 “[*n*] (m) Ensure that the proposed plan will include all Oregon residents equitably.

4 “[*4*] *No later than September 15, 2026, the Universal Health Plan Governance Board shall present*
5 *to the interim committees of the Legislative Assembly related to health, in the manner provided in ORS*
6 *192.245, and to the Governor, a comprehensive plan for the implementation of the Universal Health*
7 *Plan.*]

8 “**SECTION 6. The amendments to section 2 of this 2023 Act by section 5 of this 2023 Act**
9 **become operative on January 2, 2028.**

10 “**SECTION 7. Section 4 of this 2023 Act is repealed on January 2, 2028.**

11 “**SECTION 8. This 2023 Act being necessary for the immediate preservation of the public**
12 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
13 **on its passage.”.**

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