



Legislative Fiscal Office
 82nd Oregon Legislative Assembly
 2024 Regular Session

Prepared by: Haylee Morse-Miller
 Reviewed by: Tom MacDonald, Paul Siebert, Matt Stayner
 Date: February 12, 2024

Bill Title: Relating to health insurance mandates; prescribing an effective date.

Government Unit(s) Affected: Department of Consumer and Business Services, Legislative Policy and Research Office, Oregon Health Authority, Task Force/Committee/Workgroup

Summary of Fiscal Impact

2023-25 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Legislative Policy and Research Office	\$ 303,510	\$ -	\$ -	\$ -	\$ 303,510	2	1.00
Department of Consumer and Business Services	\$ 335,453	\$ -	\$ -	\$ -	\$ 335,453	1	0.50
Oregon Health Authority	\$ -	\$ -	\$ 62,500	\$ -	\$ 62,500	-	-
Total Fiscal Impact	\$ 638,963	\$ -	\$ 62,500	\$ -	\$ 701,463	3	1.50

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Legislative Policy and Research Office	\$ 607,862	\$ -	\$ -	\$ -	\$ 607,862	2	2.00
Department of Consumer and Business Services	\$ 469,269	\$ -	\$ -	\$ -	\$ 469,269	1	1.00
Oregon Health Authority	\$ -	\$ -	\$ 125,000	\$ -	\$ 125,000	-	-
Total Fiscal Impact	\$ 1,077,131	\$ -	\$ 125,000	\$ -	\$ 1,202,131	3	3.00

Measure Description

This measure creates the six-member Health Insurance Mandate Review Advisory Committee. During the interim period between a regular or special session of the Legislative Assembly, the chair or vice-chair of an interim committee of the Legislative Assembly related to health may submit a proposed legislative measure that mandates health insurance coverage to the Committee. The Committee is to develop a report on each proposed legislative measure to include certain information, including an actuarial analysis of the financial effects of proposed legislation, which is to be conducted by the Department of Consumer and Business Services (DCBS). The measure directs the Legislative Policy and Research Office (LPRO) to provide staff support for the Committee, including compiling data needed by the Committee to report on its findings. LPRO is to produce a report on each proposed measure brought before the Health Insurance Mandate Review Advisory Committee no later than January 15 of the year in which the proposed measure may be introduced or 15 days after the date that the review was requested, whichever is later.

Starting June 30, 2027, the Health Insurance Mandate Review Advisory Committee sunsets. At that time, every proposed legislative measure that mandates different health insurance coverage, must be accompanied by a report that assesses both specific social and financial effects of the coverage. The report may be prepared either

by the chief sponsor or by any other proponent of the proposed measure and is to be submitted when the proposed measure is submitted for filing.

Fiscal Analysis

The estimated fiscal impact of this measure is \$752,049 total funds in the 2023-25 biennium and \$1.2 million total funds in the 2025-27 biennium.

Legislative Policy and Research Office

The estimated fiscal impact for LPRO is \$303,510 General Fund in the 2023-25 biennium, and \$607,862 General Fund in the 2025-27 biennium. The agency would hire one full-time Senior Legislative Analyst and one full-time Research Analyst (both 0.50 FTE in the 2023-25 biennium, and 1.00 FTE in the 2025-27 biennium). These positions would coordinate the work of the Committee, perform research and analysis on behalf of the Committee, and assist with production of the required reports. Both positions would phase out at the end of the 2025-27 biennium.

The volume of work to support the Committee could vary based on the number of meetings held, number of measures that require review, and time it takes to prepare a report for each measure, which could change cost estimates.

Department of Consumer and Business Services

The fiscal impact for DCBS is anticipated to be \$335,453 General Fund in the 2023-25 biennium, and \$469,269 General Fund in the 2025-27 biennium. The agency would hire one full-time health policy analyst position (Operations and Policy Analyst 3, equivalent to 0.50 FTE in 2023-25 and 1.00 FTE in 2025-27) that would phase out at the end of the 2025-27 biennium. This position would coordinate health mandate reviews, provide analysis of proposed measures, and coordinate actuarial analysis.

In addition to the costs of this position and position-related services and supplies, an actuarial contract is anticipated to cost \$200,000 per biennium, based on past contracting rates.

Oregon Health Authority

Oregon Health Authority (OHA) costs are estimated to be \$62,500 Other Funds in the 2023-25 biennium and \$125,000 Other Funds in the 2025-27 biennium. This is for increased consulting costs to provide information to the Committee. This amount assumes that consultants for the Public Employees' Benefit Board (PEBB) and the Oregon Educators Benefit Board (OEBB), which are housed in OHA, are asked for input on 25 measures and amendments, with an average of five hours needed per measure at an hourly rate of \$500, resulting in \$2,500 per measure.

Based on the amount and type of information requested by the Committee, and number of measures considered, OHA may also see increased requests for data from the All Payer All Claims database and REALD data repository, which could increase staffing needs.

Relevant Dates

The measure takes effect on the 91st day after sine die.

LPRO is to report to the Legislative Assembly on the measure's implementation, and recommendations to improve review of proposed measures, by December 31, 2026.

Section 4, which dissolves the Health Insurance Mandate Review Advisory Committee and requires all legislative measures mandating health insurance coverage to have a report on the social and financial effects of the coverage, is operative June 30, 2027.