FISCAL IMPACT OF PROPOSED LEGISLATION



Legislative Fiscal Office 83rd Oregon Legislative Assembly 2025 Regular Session

Prepared by: MaryMichelle Sosne

Reviewed by: Emily Coates, John Terpening

Date: March 30, 2025

Bill Title: Relating to the Health Insurance Mandate Review Advisory Committee; prescribing an effective date.

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

Summary of Fiscal Impact

2025-27 Biennium	General Fund		Lottery Funds	Other Funds	Federal Funds	То	tal Funds	Positions	FTE
Legislative Policy and Research Office	\$ 564,	,878	\$ -	\$ -	\$ -	\$	564,878	2	1.75
Department of Consumer and Business									
Services	\$ 200,	,000	\$ -	\$ -	\$ -	\$	200,000	-	-
Total Fiscal Impact	\$ 564,	,878	\$ -	\$ -	\$ -	\$	564,878	2	1.75

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Legislative Policy and Research Office	\$ 644,646	\$ -	\$ -	\$ -	\$ 644,646	2	2.00
Department of Consumer and Business							
Services	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Total Fiscal Impact	\$ 644,646	\$ -	\$ -	\$ -	\$ 644,646	2	2.00

Measure Description

The measure establishes the Health Insurance Mandate Review Advisory Committee to develop a process for reviewing proposed legislative measures requiring health insurance coverage or reimbursement for specific providers. Additionally, the Committee is required to produce a report on each proposed legislative measure. The Legislative Policy and Research Office (LPRO) is required to provide staff support for the Committee.

After each even-numbered year session, each health-related interim committee chair or vice chair may submit up to four proposed measures and after odd-numbered year sessions, up to two proposed measures for review. Each measure that mandates health insurance coverage must include a report that assesses the social and financial effects of the coverage and the efficacy of proposed treatment. LPRO, in collaboration with the Department of Consumer and Business Services (DCBS), is required to compile necessary data for the advisory committee to complete a report on each proposed measure no later than January 15th of the year in which the proposed measure may be introduced or 15 days after the review was requested, whichever is later. The measure repeals the Health Insurance Mandate Advisory Committee and reinstates current law on June 30th, 2028. The measure takes effect on the 91st day after sine die.

Fiscal Analysis

The fiscal impact is estimated to be \$564,878 General Fund in the 2025-27 biennium and \$644,646 General Fund in the 2027-29 biennium.

Measure: HB 2690

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<u>Legislative Policy and Research Office</u>

LPRO costs are estimated to be \$564,878 General Fund. This includes support for two permanent full-time Senior Legislative Analyst positions (each 0.88 FTE in 2025-27 and 1.00 FTE in 2027-29), to compile data and write reports for up to 12 measure reviews per biennium as well as assist with the research and analysis for the report due to the legislature by September 15, 2027. LPRO will use existing staff to support data compilation and coordinate with DCBS on actuarial analyses and one position to manage the administrative tasks of the committee. Although the committee is repealed effective June 30, 2028, LPRO anticipates staff will provide ongoing assistance to members with preparing and reviewing the reports submitted with health insurance mandate measures.

LPRO notes that the requirement to complete the reviews within 15 days may not be a feasible timeline given the median time for state-mandated benefit review is typically closer to 60 days, and that additional resources may be required to meet the timeline needs established by the measure.

Department of Consumer and Business Services

The estimated fiscal impact for DCBS is \$200,000 General Fund in the 2025-27 biennium. Based on historical actuarial contracts, DCBS anticipates that contracting for the required services to support LPRO during measure reviews is approximately \$200,000. Administering the contract and assisting LPRO in compiling the report can be absorbed within current resources.

Other entities

As members of the committee serve on a volunteer basis, there is no fiscal impact to the Legislative Assembly.

Relevant Dates

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

By September 15, 2027, the Committee, LPRO and DCBS will report to the legislature on specified findings. This reporting requirement is repealed on June 30, 2028.

Section 4 and 5 become operative June 30, 2028, which reinstates current law and repeals the Health Insurance Mandate Review Advisory Committee and associated work.

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