

## HOUSE AMENDMENTS TO HOUSE BILL 3368

By COMMITTEE ON HEALTH CARE

May 8

1 On page 2 of the printed bill, line 18, before the period insert “, an independent audit and rec-  
2 ommendations for any legislative changes needed to maintain the viability of the Health Insurance  
3 Exchange administered under section 3 of this 2007 Act”.

4 Delete lines 25 through 45 and insert:

5 **“SECTION 3. (1) The Health Insurance Exchange Corporation is created for the purpose**  
6 **of providing a greater choice of, greater access to, greater portability of and better quality**  
7 **health insurance products.**

8 **“(2) The functions of the Health Insurance Exchange Corporation include the following:**

9 **“(a) To administer a Health Insurance Exchange to:**

10 **“(A) Provide a mechanism through which individuals and employers can easily access**  
11 **cost-effective and comprehensive private market health insurance coverage; and**

12 **“(B) Promote greater portability of health benefit plans from one employer to another**  
13 **and allow an individual with more than one employer to have all of the individual’s employers**  
14 **contribute to a single insurance premium.**

15 **“(b) To determine individual and employer eligibility for health insurance products of-**  
16 **fered through the Health Insurance Exchange.**

17 **“(c) To define an affordability standard to serve as the basis for health insurance subsi-**  
18 **dies provided under ORS 414.839.**

19 **“(d) To determine the range of health insurance products to be offered through the**  
20 **Health Insurance Exchange, ensuring a range of health benefit plans and a range of cost-**  
21 **sharing requirements at various price points.**

22 **“(e) To negotiate and collaborate with insurers and medical providers to encourage**  
23 **health benefit plans to utilize evidence-based practices, to improve the quality of care and**  
24 **to implement efficiencies to control health care costs, including but not limited to:**

25 **“(A) Preventive care;**

26 **“(B) Care management for chronic diseases;**

27 **“(C) Promotion of health information technology, the exchange of health data and the**  
28 **development of personal electronic health records;**

29 **“(D) Standardized billing practices;**

30 **“(E) Reduction of medical errors;**

31 **“(F) Incentives for healthy lifestyles;**

32 **“(G) Incentives for appropriate patient care;**

33 **“(H) Appropriate patient cost-sharing; and**

34 **“(I) Rational use of new technology.**

35 **“(f) To negotiate favorable rates with health benefit plans and encourage the practices**

1 listed in paragraph (e) of this subsection through the leveraging of the purchasing power of  
2 the Health Insurance Exchange Corporation.

3 “(g) To ensure that all health benefit plans receiving a state subsidy under ORS 414.839  
4 provide, at a minimum, a defined set of essential health services.

5 “(h) To actively market the Health Insurance Exchange and disseminate information  
6 about eligibility requirements and enrollment procedures.

7 “(i) To provide consumer education and support consumer decision-making by:

8 “(A) Establishing an interactive website with access to health insurance products offered  
9 by the Health Insurance Exchange;

10 “(B) Providing publications explaining coverage, benefits, copayments and premiums for  
11 products offered through the Health Insurance Exchange;

12 “(C) Requiring complete disclosure of health care costs by health benefit plans; and

13 “(D) Providing useful, credible information about health care quality and service.

14 “(j) To evaluate the regulatory structure for insurance, including but not limited to rat-  
15 ing and underwriting rules, risk adjustment and reinsurance.

16 “(k) To examine other issues identified by the Health Insurance Exchange Corporation  
17 as potential barriers to the long term viability and sustainability of the Health Insurance  
18 Exchange.

19 “(L) To perform any other functions that are expressly authorized by law or that are  
20 necessary to carry out the functions expressly authorized.

21 “(3) The Health Insurance Exchange Corporation may establish, impose, collect and use  
22 fees or other mechanisms to ensure self-sustaining funding.

23 “(4) The Health Insurance Exchange Corporation may sue or be sued in its own name.

24 “(5) The Health Insurance Exchange Corporation in its own name may:

25 “(a) Acquire, lease, rent, own and manage real property.

26 “(b) Construct, equip and furnish buildings or other structures as are necessary to ac-  
27 commodate its needs.

28 “(c) Purchase, rent, lease or otherwise acquire for its use all supplies, materials, equip-  
29 ment and services necessary to carry out its functions.

30 “(d) Sell or otherwise dispose of any property acquired under this subsection.

31 “(6) Any real property acquired and owned by the Health Insurance Exchange Corpo-  
32 ration under this section shall be subject to ad valorem taxation.”.

33 On page 3, delete lines 1 through 3.

34 Delete lines 24 through 29 and insert:

35 “**SECTION 7. Within 30 days of the effective date of this 2007 Act, the Department of**  
36 **Human Services shall seek federal approval to amend the terms and conditions of the**  
37 **Medicaid demonstration project to allow Oregon residents with incomes at or below 200 per-**  
38 **cent of the federal poverty guidelines to enroll in the Oregon Health Plan, to allow Oregon**  
39 **residents with incomes at or below 300 percent of the federal poverty guidelines to enroll in**  
40 **the Family Health Insurance Assistance Program and to implement the provisions of the**  
41 **amendments to ORS 414.025, 414.839 and 735.722 by sections 8, 9 and 10 of this 2007 Act.”.**

42 On page 4, line 45, delete “less than” and insert “at or below”.

43 On page 5, line 1, after “guidelines” insert “and, if the person is 19 years of age or older, who  
44 does not have access to employer-sponsored health insurance”.

45 On page 6, delete lines 5 through 27 and insert:

1           “**SECTION 9.** ORS 414.839 is amended to read:

2           “414.839. (1) [*Subject to funds available,*] The Department of Human Services [*may*] **shall** provide  
3 public subsidies for the purchase of health insurance coverage provided by public programs, **in-**  
4 **cluding the Family Health Insurance Assistance Program,** or private insurance[, *including but*  
5 *not limited to the Family Health Insurance Assistance Program*] **offered through the Health In-**  
6 **surance Exchange,** for currently uninsured individuals [*based on incomes up to 200 percent of the*  
7 *federal poverty level. The objective is to create a transition from dependence on public programs to*  
8 *privately financed health insurance*] **with incomes at or below 300 percent of the federal poverty**  
9 **guidelines.**

10           “(2) Public subsidies shall apply only to health benefit plans that meet or exceed the [*basic*  
11 *benchmark health benefit plan or plans established under ORS 735.733*] **requirements established**  
12 **by the Health Insurance Exchange Corporation under section 3 of this 2007 Act.**

13           “(3) Cost-sharing shall be permitted [*and*] **for an individual with income above 150 percent**  
14 **of the federal poverty guidelines, provided it is** structured in such a manner to encourage ap-  
15 propriate use of preventive care and avoidance of unnecessary services.

16           “(4) Cost-sharing shall be based on an individual’s ability to pay and may not exceed the cost  
17 of purchasing a plan.

18           “(5) The state may pay a portion of the cost of the subsidy, based on the individual’s income and  
19 other resources. **There shall be:**

20           “(a) **A full subsidy for an individual whose family income is at or below 200 percent of the**  
21 **federal poverty guidelines; and**

22           “(b) **A partial subsidy for an individual whose family income is above 200 percent and at**  
23 **or below 300 percent of the federal poverty guidelines.”.**

24           In line 31, delete “less than” and insert “at or below”.

25           On page 11, line 2, before the semicolon insert “, and facilitate the development of a personal  
26 electronic health record, to be made available to every Oregon resident, that is portable and within  
27 the individual’s control, use and access”.

28           After line 10, insert:

29           “(3) The administrator shall identify a structure to support the activities described in subsection  
30 (2) of this section and recommend legislation to put the quality institute into effect.”.

31