

Senate Bill 315

Sponsored by Senator MORRISETTE (at the request of Randy Miller) (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes Oregon Health Care Financing Authority as public corporation. Directs authority to work collaboratively with Oregon Health Fund Board to ensure access for Oregonians to health care by leveraging available health care moneys and issuing revenue bonds.

Authorizes issuance of revenue bonds by authority in anticipation of receipt of moneys to provide health care in amount not to exceed \$_____.

Establishes Oregon Health Care Financing Authority Board to direct activities of authority.

Directs authority to report annually to Legislative Assembly and Governor.

A BILL FOR AN ACT

1
2 Relating to health care financing.

3 **Be It Enacted by the People of the State of Oregon:**

4 5 ESTABLISHING OREGON HEALTH CARE 6 FINANCING AUTHORITY 7

8 **SECTION 1.** (1) **The Oregon Health Care Financing Authority is established as a public**
9 **corporation and shall exercise and carry out the powers, rights and privileges that are:**

10 (a) **Expressly conferred upon the authority;**

11 (b) **Implied by law; or**

12 (c) **Incident to the powers, rights and privileges expressly conferred or implied by law.**

13 (2) **The authority is:**

14 (a) **A governmental entity performing governmental functions and exercising govern-**
15 **mental powers.**

16 (b) **An independent public corporation with statewide purposes and missions and without**
17 **territorial boundaries.**

18 (c) **Not a unit of local or municipal government or a state agency for purposes of state**
19 **statutes or constitutional provisions.**

20 (3) **Working collaboratively with the Oregon Health Fund Board established in section 5,**
21 **chapter 697, Oregon Laws 2007, the authority shall ensure that Oregonians have access to a**
22 **high quality and transparent health care delivery system that provides for coverage, at a**
23 **minimum, of the defined set of essential health services, as defined in section 2, chapter 697,**
24 **Oregon Laws 2007, by:**

25 (a) **Facilitating, coordinating and leveraging the use of moneys from a wide variety of**
26 **sources, including the moneys in the Oregon Health Fund established in section 8, chapter**
27 **697, Oregon Laws 2007, to pay the costs of health care.**

28 (b) **Financing through public borrowing, in anticipation of receiving the moneys described**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 in this subsection, a portion of the costs of implementing services under the Oregon Health
 2 Fund program comprehensive plan, including a portion of the costs of covering the defined
 3 set of essential health services for residents of Oregon who are not beneficiaries of a health
 4 benefit plan and who are not eligible to be enrolled in a publicly funded medical assistance
 5 program providing primary care and hospital services.

6 (4) To perform the duties assigned to the authority, the authority may issue revenue
 7 bonds in anticipation of receiving the moneys described in subsection (3) of this section in
 8 an outstanding principal amount that does not exceed \$_____ at any time. The authority,
 9 or the entity that possesses or controls moneys described in subsection (3) of this section,
 10 may pledge the moneys to secure payment of revenue bonds issued under this subsection.
 11 Revenue bonds may only be issued in anticipation of funds that are, or are expected to be,
 12 in the possession or control of:

13 (a) The authority;

14 (b) The Oregon Health Fund Board, if the fund board pledges the funds to secure payment
 15 of the revenue bonds; or

16 (c) Another entity providing health care funding if the entity pledges the funds to secure
 17 payment of the revenue bonds.

18 (5) As used in this section, “public corporation” means an entity that is created by the
 19 state to carry out public missions and services and is granted increased operating flexibility
 20 in order to best ensure its success, while retaining principles of public accountability and
 21 fundamental public policy.

22
 23 **OREGON HEALTH CARE FINANCING AUTHORITY**
 24 **BOARD; APPOINTMENT; TERM; CONFIRMATION; PER DIEM**
 25

26 **SECTION 2.** (1) There is established the Oregon Health Care Financing Authority Board,
 27 consisting of seven members appointed by the Governor.

28 (2) The term of office of each member is four years. Before the expiration of the term
 29 of a member, the Governor shall appoint a successor whose term begins on July 1 next fol-
 30 lowing. A member is eligible for reappointment. If there is a vacancy for any reason, the
 31 Governor shall make an appointment to become immediately effective for the unexpired
 32 term.

33 (3) The appointment of the members of the board is subject to confirmation by the Sen-
 34 ate in the manner prescribed in ORS 171.562 and 171.565.

35 (4) The Governor may remove a member of the board at any time for cause, after notice
 36 and public hearing.

37 **SECTION 3.** Notwithstanding the term of office specified by section 2 of this 2009 Act,
 38 of the members first appointed to the Oregon Health Care Financing Authority Board:

39 (1) One member shall serve for a term ending June 30, 2011.

40 (2) Two members shall serve for a term ending June 30, 2012.

41 (3) Two members shall serve for a term ending June 30, 2013.

42 (4) Two members shall serve for a term ending June 30, 2014.

43
 44 **QUALIFICATION OF MEMBERS**
 45

1 **SECTION 4.** The members of the Oregon Health Care Financing Authority Board must
2 be residents of this state who are well informed on the principles of health care service de-
3 livery, health care funding or public borrowing.

4
5 **OFFICERS OF THE OREGON HEALTH CARE FINANCING**
6 **AUTHORITY BOARD; QUORUM; MEETINGS**
7

8 **SECTION 5.** (1) The Oregon Health Care Financing Authority Board shall select one of
9 its members as chairperson and another as vice chairperson, for terms and with duties and
10 powers necessary for the performance of the functions of the offices as the board deter-
11 mines.

12 (2) A majority of the members of the board constitutes a quorum for the transaction of
13 business. The affirmative vote of a majority of the members is required for board action.

14 (3) The board shall meet at least once every three months at a place, day and hour de-
15 termined by the board. The board may also meet at other times and places specified by the
16 call of the chairperson or of a majority of the members of the board.

17
18 **EMPLOYEES**
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20 **SECTION 6.** (1) The Oregon Health Care Financing Authority Board shall appoint a di-
21 rector to serve at the pleasure of the board. The director must be well-informed on the
22 principles of:

- 23 (a) Health care service delivery;
24 (b) Health care funding;
25 (c) Public borrowing; and
26 (d) Public administration.

27 (2) Subject to the supervision of the Oregon Health Care Financing Authority Board, the
28 director shall direct the activities of the Oregon Health Care Financing Authority.

29
30 **POWERS**
31

32 **SECTION 7.** The Oregon Health Care Financing Authority Board or the Director of the
33 Oregon Health Care Financing Authority, acting under supervision of the board, or employ-
34 ees of the Oregon Health Care Financing Authority, acting under supervision of the director,
35 shall perform the duties assigned in section 1 of this 2009 Act and may, in the performance
36 of the duties:

37 (1) Determine or approve policies for the organization, administration or development of
38 the authority.

39 (2) Appoint and employ personnel that are necessary or appropriate to carry out the
40 duties of the authority, and prescribe their compensation and terms of office or employment.

41 (3) Enter into necessary or appropriate contracts and agreements.

42 (4) Enter into partnerships, joint ventures or other business arrangements with public
43 or private entities, including governmental, nonprofit or for-profit entities.

44 (5) Create and participate fully in the operation of business structures, including but not
45 limited to the development of business structures for health care delivery systems and net-

1 works with public or private entities, including governmental, nonprofit or for-profit entities.

2 (6) Acquire, purchase, receive, hold, control, convey, sell, manage, operate, lease, license,
3 lend, invest, improve, develop, use, dispose of and hold title to real and personal property of
4 any nature, including intellectual property, in its own name.

5 (7) Sue in its own name and be sued, plead and be impleaded in actions, suits or pro-
6 ceedings in any forum brought by or against it by private entities or state, local, federal or
7 other public entities, agencies or persons.

8 (8) Encourage gifts and donations for the benefit of the authority and, subject to the
9 terms of the gift, retain, invest and use the gifts as deemed appropriate by the board or the
10 director.

11 (9) Acquire, receive, hold, keep, pledge, control, convey, manage, use, lend, expend and
12 invest all moneys, appropriations, gifts, bequests, stock and income from any source.

13 (10) Erect, construct, improve, develop, repair, maintain, equip, furnish, lease, lend,
14 convey, sell, manage, operate, use, dispose of and hold title to buildings, structures and lands
15 for the authority.

16 (11) Purchase insurance, operate a self-insurance program or otherwise arrange for the
17 equivalent of insurance coverage of any nature for the indemnity and defense of its officers,
18 agents and employees or other persons designated by the authority to carry out or further
19 the duties of the authority.

20 (12) Contract with any state agency for the performance of duties, functions and powers
21 that are appropriate. A state agency may not charge the authority an amount that is greater
22 than the actual cost of the services.

23 (13) Perform any other acts that in the judgment of the board or the director are requi-
24 site, necessary or appropriate in accomplishing the duties assigned in section 1 of this 2009
25 Act.

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27 **REPORTS**

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29 **SECTION 8.** The Oregon Health Care Financing Authority shall file with the Legislative
30 Assembly and the Governor, not later than April 15 of each year, a report of the authority's
31 activities and operations for the preceding calendar year.

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33 **SECTION CAPTIONS**

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35 **SECTION 9.** The section captions used in this 2009 Act are provided only for the con-
36 venience of the reader and do not become part of the statutory law of this state or express
37 a legislative intent in the enactment of sections 1 to 8 of this 2009 Act.

