

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the Committee on Ways and Means

Vote: 6 - 3 - 1

Yeas: Cannon, Harker, Hoyle, Kotek, Nathanson, Greenlick

Nays: Bruun, Maurer, Thompson

Exc.: Kennemer

Prepared By: Sandy Thiele-Cirka, Administrator

Meeting Dates: 2/3, 2/4

WHAT THE MEASURE DOES: Requires Oregon Health Authority to study viability of implementing pay or play system of employer-based health insurance coverage in Oregon, to report results of study and, if system is viable, propose plan for implementation to interim legislative committee. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Proposed amendment
- Current authority and scope of Oregon Health Authority
- Consequences of HB 2009 (2009) implementation
- Fiscal impact

EFFECT OF COMMITTEE AMENDMENT: Modifies study criteria. Changes the report submission date from October 1, 2010 to December 31, 2010. Directs the Oregon Health Authority to include options and recommendations in the report if the authority determines that a system is viable.

BACKGROUND: Employer-sponsored health insurance is the primary source of health insurance in the U.S., covering 61percent of nonelderly people. Pay-or-play requirements build on the current employer group market by encouraging more employers to offer coverage and penalizing those that do not by requiring them to pay into a pool to help subsidize the cost of coverage for the uninsured. Although increasing costs continue to threaten the affordability of employer sponsored insurance, those with an offer of coverage from an employer generally enroll. Even in the context of reformed individual insurance markets, employer-sponsored insurance maintains support as it is the source of coverage familiar to most people in the U.S.