

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3033**

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

Prepared by: Kim To
Reviewed by: Linda Ames
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Measure Description:

Reduces Oregon Medical Insurance Pool assessment for reinsurers.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

Summary of Expenditure Impact:

See Analysis

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

House Bill 3033 reduces the Oregon Medical Insurance Pool (OMIP) assessment for reinsurance carriers by modifying the formula for determining insurers' assessments.

This bill would reduce the amount of assessment that reinsurance providers would pay while increasing the amount that all other insurance providers would pay by the same amount. Consequently, OEGB and PEBB would expect premium costs to increase. Assuming an OEGB enrollment count of 139,202 covered lives, and a PEBB enrollment count of 131,141 covered lives, the Oregon Health Authority estimates the per month premium costs for medical plans for OEGB and PEBB employees would go up about \$1.71 per employee. This is expected to increase OEGB expenditure by about \$1.8 million and PEBB expenditures by about \$1.7 million.