

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 99 - A

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

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### Measure Description:

Requires Oregon Health Authority to establish Oregon Health Insurance Exchange as public corporation to be governed by board of directors.

### Government Unit(s) Affected:

Oregon Health Authority (OHA)

### Summary of Fiscal 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:

Senate Bill 99 establishes the Oregon Health Insurance Exchange Corporation (Exchange) as a public corporation. The bill outlines the duties, powers, functions and governance of the Exchange.

This bill will align state statutes with federal requirements. The Patient Protection and Affordable Care Act of 2010 requires the establishment of state health insurance exchanges.

Operational budget related to the establishment of the Exchange is currently within the OHA budget. From September 1, 2010 through December 31, 2013, planning, implementation and administration costs (including the cost for an information technology infrastructure to administer the Exchange) are expected to be provided by federal grants. Thereafter, federal law requires the Exchange to be self-sustaining. The bill permits the Health Insurance Exchange to impose and collect assessments on insurance carriers that offer health benefit plans through the Exchange, in order to support the operations of the Exchange.

Until the Exchange is operational, federal grants will be applied for and received by the Oregon Health Authority (OHA). Once the Exchange is established, federal grants and fee revenues will be deposited into the newly established Oregon Health Insurance Exchange Fund to support ongoing operations.