

Senate Bill 184

Sponsored by Senator KRUSE (Presession 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 Access Fund and continuously appropriates moneys in fund to Oregon Health Authority for specified purposes.

Creates Core Health Safety Net Integrity Program in authority to provide moneys to support health care safety net and community-based, patient-centered health care services for individuals facing barriers to accessing care.

Requires withholding specified amount from wages and salaries of public employees based on amount of employer contributions to benefit plans for which no employee contribution is required. Requires that amount withheld be deposited in Oregon Health Access Fund. Amount withheld is considered salary for purposes of retirement and pension benefits but is not taxable under state income tax or, as permitted by federal law, Social Security and federal income tax. Applies prospectively to collective bargaining agreements.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to health care; appropriating money; prescribing an effective date; and providing for re-
3 venue raising that requires approval by a three-fifths majority.

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

5 **SECTION 1. (1) The Oregon Health Access Fund is established in the State Treasury,**
6 **separate and distinct from the General Fund. Interest earned by the Oregon Health Access**
7 **Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the**
8 **Oregon Health Authority for carrying out this section and section 2 of this 2011 Act.**

9 **(2) For each biennium, the authority shall allocate moneys in the Oregon Health Access**
10 **Fund as follows:**

11 **(a) Fifty percent to providing basic health and dental insurance to families who are**
12 **categorically needy, as defined in ORS 414.025;**

13 **(b) Twenty-five percent to increasing the rate of reimbursement for preventive health,**
14 **dental and primary care services and funding innovative reimbursement models, including**
15 **web-based office visits, telephone consultations and telemedicine consultations; and**

16 **(c) Twenty-five percent to:**

17 **(A) Maintaining or expanding access to medical and dental care through school-based**
18 **health clinics and community health centers;**

19 **(B) Providing operational support for rural health centers that are not federally qualified**
20 **health centers;**

21 **(C) Ensuring that rural health clinics are properly reimbursed as required by ORS 414.725**
22 **(1)(f); and**

23 **(D) Implementing the Core Health Safety Net Integrity Program established in section 2**
24 **of this 2011 Act.**

25 **SECTION 2. (1) The Core Health Safety Net Integrity Program is established in the**

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 Oregon Health Authority to assist in preserving the health care safety net and maintaining
2 community-based, patient-centered health care services for individuals who face barriers to
3 accessing care.

4 (2) The authority shall expend moneys made available under section 1 of this 2011 Act for
5 safety net clinics as necessary to enable the clinics to maintain essential services and to
6 support the expansion of new clinics to medically underserved areas.

7 (3) The authority shall establish priorities for expenditures under subsection (2) of this
8 section based upon, but not limited to, the following factors:

9 (a) The financial difficulties faced by the safety net clinic;

10 (b) Whether the expenditure will maintain or expand essential comprehensive health
11 services;

12 (c) Whether the expenditure will be used to establish new safety net clinics or to expand
13 access to care in otherwise unserved or underserved geographical or specialty care areas;

14 (d) Whether the expenditure will improve the recruitment and retention of health care
15 workers, including the expansion of the Rural Health Services Program created by ORS
16 442.555;

17 (e) Whether the expenditure is for the procurement and use of transformative technol-
18 ogy;

19 (f) Whether the expenditure will reduce the cost of pharmaceuticals to consumers;

20 (g) Whether the expenditure will leverage nonstate funding; and

21 (h) Whether the expenditure will be used for technical assistance for purposes that are
22 not directly linked to the immediate financial stability of a safety net clinic, such as for
23 business planning or financial management.

24 **SECTION 3. (1) As used in this section:**

25 (a) "Benefit plan" means a life insurance contract or a health benefit plan covering
26 medical, dental or vision benefits.

27 (b) "Eligible employee" has the meaning given that term in ORS 243.105.

28 (c) "Employer contribution" means the cost of the premium for a benefit plan if the cost
29 is paid in full by the state without any payment by the eligible employee toward the cost.

30 (d) "Tier one employee" mean an eligible employee whose annual salary or wages are less
31 than \$31,000.

32 (e) "Tier two employee" means:

33 (A) An eligible employee whose annual salary or wages are equal to or greater than
34 \$31,000; or

35 (B) A member of the Legislative Assembly.

36 (2) For an eligible employee who is not required by an employer or a collective bargaining
37 agreement to contribute toward the cost of a benefit plan covering the employee or a mem-
38 ber of the employee's family, the payroll disbursing officer shall withhold monthly from the
39 employee's salary or wages an amount calculated in accordance with subsection (4) of this
40 section.

41 (3) The payroll disbursing officer shall pay the moneys withheld under this section to the
42 Oregon Health Access Fund established in section 1 of this 2011 Act.

43 (4) The amount withheld monthly from an eligible employee's salary or wages under
44 subsection (2) of this section shall be calculated based on the total employer contributions
45 made for that month on behalf of the employee toward all benefit plans. The amount with-

1 held shall equal:

2 (a) For each tier one employee:

3 (A) For the fiscal year beginning July 1, 2011, seven percent of the total employer con-
4 tributions made on behalf of the employee each month;

5 (B) For the fiscal year beginning July 1, 2012, nine percent of the total employer contri-
6 butions made on behalf of the employee each month;

7 (C) For the fiscal year beginning July 1, 2013, 11 percent of the total employer contribu-
8 tions made on behalf of the employee each month; and

9 (D) For the fiscal year beginning July 1, 2014, and each fiscal year thereafter, 13 percent
10 of the total employer contributions made on behalf of the employee each month.

11 (b) For each tier two employee:

12 (A) For the fiscal year beginning July 1, 2011, nine percent of the total employer contri-
13 butions made on behalf of the employee each month;

14 (B) For the fiscal year beginning July 1, 2012, 11 percent of the total employer contribu-
15 tions made on behalf of the employee each month;

16 (C) For the fiscal year beginning July 1, 2013, 13 percent of the total employer contribu-
17 tions made on behalf of the employee each month; and

18 (D) For the fiscal year beginning July 1, 2014, and each fiscal year thereafter, 15 percent
19 of the total employer contributions made on behalf of the employee each month.

20 (5) For each fiscal year beginning on or after July 1, 2015, the amount of salary or wages
21 that defines tier one and tier two employees shall be adjusted by the percentage increase or
22 decrease in the cost of living from the previous fiscal year based on the U.S. City Average
23 Consumer Price Index for All Urban Consumers (All Items) as published by the Bureau of
24 Labor Statistics of the United States Department of Labor.

25 (6) The amount withheld under this section from an eligible employee's salary or wages
26 shall continue to be included as regular salary or wages for the purpose of computing the
27 retirement and pension benefits earned by the employee, but that amount may not be con-
28 sidered current taxable income for the purpose of computing state income taxes or, to the
29 extent permitted by federal law, for the purpose of computing Social Security taxes or federal
30 income taxes withheld on behalf of the employee.

31 **SECTION 4.** (1) For employees within a bargaining unit, section 3 of this 2011 Act applies
32 to collective bargaining agreements entered into on or after the effective date of this 2011
33 Act.

34 (2) For employees not described in subsection (1) of this section, section 3 of this 2011
35 Act applies to payments of salary or wages that are made on or after a date that is two
36 calendar months after the effective date of this 2011 Act.

37 **SECTION 5.** This 2011 Act takes effect on the 91st day after the date on which the 2011
38 session of the Seventy-sixth Legislative Assembly adjourns sine die.