

House Bill 4164

Senate Bill 99 (2011) created the Oregon Health Insurance Exchange Corporation and required it to submit a formal business plan for approval. In order to meet aggressive timelines and be ready to start enrolling Oregonians in October 2013, legislative approval is needed in February 2012. House Bill 4164 provides for legislative approval of the Exchange's business plan and makes several technical changes to SB 99. The bill has an emergency clause, making it effective upon passage. Below is a summary of the bill.

Approves Corporation's Business Plan (Section 8)

The Oregon Health Insurance Exchange Corporation has submitted a formal business plan to both the House Committee on Health Care and the Senate Committee on Health Care, Human Services and Rural Health Policy. The business plan outlines what the Exchange is, the value it brings to Oregonians, how much it will cost, and its long-term financial sustainability. House Bill 4164 acknowledges the submission and approval of the business plan by deleting the language in the law that requires the Exchange to receive approval of its business plan before moving forward.

Corrects drafting error regarding financial accounts (Sections 1-5)

At the request of the State Treasury, HB 4164 fixes a drafting error so that the Corporation can enter into relationships with federally insured banks and credit unions to establish lines of credit and financial accounts. Since the Exchange is not a state agency, it cannot establish a line of credit with State Treasury. The bill abolishes the Oregon Health Insurance Exchange Fund in the State Treasury and clarifies that the state of Oregon is not responsible for any debt of the Corporation.

Clarifies contracting process (Section 7)

Although the Corporation is not a state agency, it does undergo a transparent and thorough process when selecting contractors to provide services. House Bill 4164 clarifies that the Corporation is subject to certain provisions of the Public Contracting Code. This provides a process for the Corporation to use when a contract bidder protests an award and enables the Corporation to keep proposals confidential until after the notice of intent to award a contract is issued.

Allows Exchange employees to pilot innovative health plans (Section 5)

The Oregon Health Insurance Exchange Corporation currently offers health insurance to its employees through PEBB (Public Employees' Benefit Board). However, the Exchange is working on designing an innovative health plan for its employees – focused on improving health and lowering costs – that could be a model for small employers that buy insurance through the Exchange starting in 2014. House Bill 4164 allows the Corporation to contract with one or more carriers to offer innovative health benefit plans to the Corporation's employees that are not subject to small group health insurance sections of the Insurance Code. These plans still would be subject to approval by the director of the Department of Consumer & Business Services.
