

**REVENUE: No revenue impact**

**FISCAL: Fiscal statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
<b>Vote:</b>	9 - 0 - 0
<b>Yeas:</b>	Clem, Conger, Harker, Kennemer, Keny-Guyer, Lively, Thompson, Weidner, Greenlick
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Tyler Larson, Administrator
<b>Meeting Dates:</b>	3/8, 3/20

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**WHAT THE MEASURE DOES:** Aligns Oregon health insurance law with Patient Protection and Affordable Care Act (PPACA) use either PPACA or ACA but don't switch back and forth. Establishes requirements for health benefit plan. Abolishes office of Private Health Partnerships and ends Family Health Insurance Assistance Program. Modifies Health Care for All Oregon Children program to terminate eligibility at 19 years of age, allows Department of Human Services or Oregon Health Authority specify eligibility requirements for private health option. Allows purchase of insurance through Oregon Health Insurance Exchange (Cover Oregon) for private health option and prohibits child from qualifying for private health option and medical assistance programs. Directs Department of Consumer and Business Services (DCBS) adopt rules adjusting risk between insurers. Allows insurers to increase rates in 2014 to reflect taxes and fees. Requires DCBS adopt rules defining network adequacy. Raises definition of small employer from 50 to 100 employees. Abolishes Oregon Medical Insurance Pool June 30, 2015. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Provisions of the bill

**EFFECT OF COMMITTEE AMENDMENT:** Directs Department of Consumer and Business Services (DCBS) to adopt rules adjusting risk between insurers. Allows insurers to increase rates in 2014 to reflect taxes and fees. Requires DCBS adopt rules defining network adequacy. Raises definition of small employer from 50 to 100 employees.

**BACKGROUND:** In 2010, the federal government enacted the Patient Protection and Affordable Care Act (ACA). The ACA aims to decrease the number of uninsured Americans and reduce the overall costs of health care. The ACA creates mandates, subsidies and tax credits to employers and individuals to increase the coverage rate.

Four key pieces of legislation bring Oregon into compliance with the provisions of the ACA and update related programs:

- House Bill 2240-A implements federal requirements in Oregon's insurance code and abolishes programs which are obsolete with provisions of ACA.
- House Bill 3458-A establishes the Oregon Supplemental Reinsurance Program in the Oregon Health Authority. The program stabilizes rates and premiums for the market by providing supplemental reinsurance payments to insurers.
- House Bill 2859-A updates Oregon's medical assistance programs to reflect federal Medicaid and Children's Health Insurance Program changes.
- House Bill 2091-A updates the Health Care for All Oregon Children Program to reflect federal requirements.