

**REVENUE:** Revenue statement issued

**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>	3/20, 4/1

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**WHAT THE MEASURE DOES:** Establishes Oregon Reinsurance Program to be administered by Oregon Medical Insurance Pool Board. Defines qualifications for reinsurance eligible health benefit plans and reinsurance payments. Defines attachment point, reinsurance cap and coinsurance rates for 2014. Requires board adopt by rule rates for 2015 and 2016. Sunsets program December 31, 2016 and abolishes board January 1, 2017. Clarifies Board's authority to make payment adjustments parameters. Removes federal program references. Requires assessment be sufficient for administrative costs and projected reinsurance payments. Clarifies what insurers are subject to assessment base. Clarifies excess funding will be returned to companies on pro-rata basis. Require insurer to identify impact of reinsurance payments in rate filing. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Provisions of the bill

**EFFECT OF COMMITTEE AMENDMENT:** Clarifies Board's authority to make adjustments to payment parameters. Removes federal program references. Requires assessment be sufficient for administrative costs and projected reinsurance payments. Clarifies what insurers are subject to assessment base. Clarifies that excess funding will be returned to companies on pro-rata basis. Require insurer to identify impact of reinsurance payments in rate filing.

**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.

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*This summary has not been adopted or officially endorsed by action of the committee.*