

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2118 - B**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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**Measure Description:**

Establishes a health plan quality metrics work group

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Oregon Health Insurance Exchange (ORHIX/Cover Oregon) [Public Corporation]

**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:**

House Bill 2118 establishes a nine-member health plan quality metrics work group charged with publishing recommendations for health outcomes and quality measures to be used by the Oregon Health Insurance Exchange (ORHIX/Cover Oregon), the Oregon Health Authority (OHA) including the Oregon Educators Benefit Board (OEBB) and the Public Employees' Benefit Board (PEBB). The work group is required to report its progress to the regular session of the 2014 Legislative Assembly, and to provide an interim committee of the Legislative Assembly with a final report by May 31, 2014.

The fiscal impact of this work group on the Oregon Health Authority is indeterminate at this time. Members of the work group are to be appointed from the Oregon Health Authority including from OEBB and PEBB. This fiscal assumes that membership on the work group will have a minimal expenditure impact on participating entities and that any resulting work can be absorbed with existing resources. Each affected entity will have to reprioritize duties and responsibilities of existing staff to allow participation on the task force. However, OHA predicts that the agency will be required to provide the work group with data, information and analysis to inform the work group's discussions and recommendations. If these requests for data, information and analysis are not easily culled from existing systems with existing staff, OHA may need to return to the Emergency Board or Legislative Assembly to seek additional resources.

The bill directs the Oregon Health Insurance Exchange to provide staff support to the work group. This fiscal assumes that the corporation will use existing staff and resources to support the work group. Note that ORHIX/Cover Oregon is a public corporation. The corporation's budget is not subject to Executive Branch review, or approval or modification by the Legislative Assembly.

In addition, the bill exempts ORHIX/Cover Oregon from current state law requiring that certain notices be sent using certified mail. The bill allows Cover Oregon to serve eligibility determination notices to individuals via electronic and regular first class mail. The bill specifies conditions under which a determination notice becomes final by default, including due to failure to request a hearing, failure to appear for a hearing, or withdrawal of a hearing request. The bill also requires Cover Oregon to allow a party up to 60 days to request a hearing seeking relief from a default order. These provisions of the bill are anticipated to result in approximately \$236,000 in administrative and postage savings during 2013-15 biennium for Cover Oregon.