77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session STAFF MEASURE SUMMARY

Joint Committee on Ways and Means

Carrier – House: Rep. Dembrow

MEASURE:

Carrier - Senate: Sen. Monnes Anderson

HB 3260-B

Revenue: No revenue impact **Fiscal:** Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 15 - 10 - 1

<u>House</u>

Yeas: Barker, Buckley, Frederick, Jenson, Komp, Nathanson, Read, Tomei, Williamson

Nays: Freeman, Hanna, Huffman, Richardson, Smith

Exc: McLane

Senate

Yeas: Bates, Devlin, Edwards, Johnson, Monroe, Steiner Hayward

Nays: Girod, Hansell, Thomsen, Whitsett, Winters

Exc:

Prepared By: Linda Ames, Legislative Fiscal Office

Meeting Date: June 26, 2013

WHAT THE MEASURE DOES: Requires Oregon Health Authority to contract with a third party to conduct study examining options for financing health care in Oregon. Specifies criteria and requires report include recommendation based on established criteria. Requires report to estimate potential savings to local governments and government agencies for each plan. Requires report to interim health care committees and to 2015 regular session of Legislative Assembly. Clarifies publicly financed single payer option is privately delivered. Authorizes OHA accept funds to conduct study. Requires OHA use gifts, grants and other funds from public and private sources. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- No identified source of funding
- No obligation to perform study if funding is not found
- Potential for conflict of interest if funding entity could benefit from recommendations

EFFECT OF COMMITTEE AMENDMENT: Eliminates option that agency could conduct study internally. Eliminates requirement that one of the options include funding with sales tax.

BACKGROUND: According to the Kaiser Family Foundation and Health Research and Educational Trust, health expenditures in the United States neared \$2.6 trillion in 2010, and total government healthcare spending accounted for 17.9 percent of the nation's Gross Domestic Product. Family premiums in employer-sponsored health coverage have increased 97 percent since 2002. In addition, the U.S. Census Bureau reports that in the same year, 15.7 percent of the population had no health insurance.

In an attempt to better understand how to deliver health care to all Oregonians, House Bill 3260-A establishes criteria for evaluating health care delivery and financing in the state, and requires the Oregon Health Authority to conduct a study to determine what option best satisfies these criteria. The study will make recommendations as to what options most efficiently and effectively provide health care for all Oregonians.