

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: SB 1582 - A**Seventy-Seventh Oregon Legislative Assembly – 2014 Regular Session  
Legislative Fiscal Office**Only Impacts on Original or Engrossed  
Versions are Considered Official**Prepared by: Kim To  
Reviewed by: Linda Ames  
Date: 2/18/2014**Measure Description:**

Authorizes Oregon Medical Insurance Pool Board to make expenditures for transitional medical insurance pool program.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Department of Consumer and Business Services (DCBS)

**Summary of Expenditure Impact:**

	2013-15 Biennium	2015-17 Biennium
<b>Other Funds</b>		
Administration	\$171,084	
Claims	\$5,007,096	
<b>Total Funds</b>	<b>\$5,178,180</b>	<b>\$0</b>

**Summary of Revenue Impact:**

	2013-15 Biennium	2015-17 Biennium
<b>Other Funds</b>		
Enrollee Premiums	\$2,194,464	
Premium Assessment Carry Forward	\$2,983,716	
<b>Total Funds</b>	<b>\$5,178,180</b>	<b>\$0</b>

**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 4154 A-Engrossed:

- Authorizes money from the Oregon Medical Insurance Board (OMIP) account to fund the Temporary Medical Insurance Pool (TMIP).
- Defines terms relating to Oregon Transitional Reinsurance Program (OTRP) to align the program with expected changes to the federal reinsurance program.
- Establishes various OTRP coinsurance rates based on varying circumstances such as the national coinsurance rate.
- Extends eligibility for OTRP payments to claims incurred by high-risk individuals who enroll by the end of the initial 2014 open enrollment.
- Authorizes the use of any remaining balance from premium assessments established under ORS 743.951 and 743.961 to fund the Temporary Medical Insurance Program (TMIP).

Oregon Medical Insurance Board (OMIP) / Temporary Medical Insurance Pool (TMIP)

The Oregon Health Authority estimates the fiscal impact of this client transition to be \$5,178,180 Other Funds. This amount is based on reported enrollment into the TMIP program as of February 4, 2014, and assumes that approximately 1,800 enrollees will use TMIP between January and March 2014. This estimate may need to be adjusted depending on the utilization and rates charged by providers. OHA estimates that funding for these expenditures will come from enrollee premiums [\$2,194,464], and the premium assessments established under ORS 743.951 and 743.961 [\$2,983,716].

Oregon Transitional Reinsurance Program (OTRP)

Changes made to the Oregon Transitional Reinsurance Program by this bill to align with the federal reinsurance program may result in savings. At this time the amount of potential savings is indeterminate.