

**A-Engrossed  
House Bill 4109**

Ordered by the House March 3  
Including House Amendments dated March 3

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Health Care)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires Oregon Health Authority to commission independent study of costs and impacts of operating basic health program in Oregon. Specifies parameters of study. Requires report to Legislative Assembly by November 30, 2014.

**Appropriates moneys from General Fund to authority for contract costs to conduct study.**

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to studying alternative approaches to financing health care; appropriating money; and de-  
3 claring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. (1) As used in this section:**

6 (a) **"Basic health program" means the program described in 42 U.S.C. 18051.**

7 (b) **"Continuity of care" means continuing to receive care from an individual's primary  
8 provider after enrolling in a health care plan, changing a health care plan, or withdrawing  
9 from a health care plan.**

10 (c) **"Exchange" has the meaning given that term in ORS 741.300.**

11 (d) **"Medical assistance" has the meaning given that term in ORS 414.025.**

12 (2) **The Oregon Health Authority shall commission an independent study of the feasibility  
13 of operating a basic health program in Oregon. The study must produce estimates of the:**

14 (a) **Number and characteristics of individuals who would be eligible to enroll in the basic  
15 health program, including legal resident aliens who are barred for five years from partic-  
16 ipation in the medical assistance program by 8 U.S.C. 1613;**

17 (b) **Federal funds available to operate the basic health program;**

18 (c) **State expenses and administrative costs to operate the basic health program;**

19 (d) **Impact of the basic health program on the number of individuals enrolled in qualified  
20 health plans through the exchange;**

21 (e) **Impact of the basic health program on the rates at which individuals with incomes  
22 below 200 percent of the federal poverty guidelines lack health insurance coverage compared  
23 to such rates in the absence of a basic health program;**

24 (f) **Extent to which individuals would be expected to:**

25 (A) **Cycle in and out of the basic health program and the exchange due to changes in**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **income; and**

2 **(B) Maintain continuity of care;**

3 **(g) Premium and out-of-pocket costs of health care to consumers with and without the**  
4 **basic health program; and**

5 **(h) Impact of the basic health program on premiums charged in the private insurance**  
6 **market.**

7 **(3) The study must evaluate the financial feasibility of operating a basic health program**  
8 **using at least two alternative options for:**

9 **(a) Health benefit packages, including packages that mirror the medical assistance pro-**  
10 **gram benefit package and the essential health benefits package adopted by the Oregon Health**  
11 **Insurance Exchange Corporation;**

12 **(b) Provider reimbursement rates, including rates that mirror provider reimbursement**  
13 **rates in the medical assistance program and the private insurance market in this state; and**

14 **(c) Premium and out-of-pocket cost limits.**

15 **(4) The authority shall solicit input using a public process to determine the factors and**  
16 **assumptions on which the study will be based.**

17 **(5) The authority shall report the findings of the study to the Legislative Assembly no**  
18 **later than November 30, 2014.**

19 **SECTION 2. In addition to and not in lieu of any other appropriation, there is appropri-**  
20 **ated to the Oregon Health Authority, for the biennium beginning July 1, 2013, out of the**  
21 **General Fund, the amount of \$60,000, which may be expended for contract costs to conduct**  
22 **the study required by section 1 of this 2014 Act.**

23 **SECTION 3. Section 1 of this 2014 Act is repealed on January 2, 2015.**

24 **SECTION 4. This 2014 Act being necessary for the immediate preservation of the public**  
25 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**  
26 **on its passage.**

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