

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2828**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***Prepared by: Kim To  
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Date: 2/16/2015**Measure Description:**

Extends, for two years, sunset of provisions requiring Oregon Health Authority to study and make recommendations to Legislative Assembly on best option for financing health care in this state.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA)

**Summary of Expenditure Impact:**

	<b>2015-17 Biennium</b>	<b>2017-19 Biennium</b>
General Fund	\$600,000	\$0
<b>Total Funds</b>	<b>\$600,000</b>	<b>\$0</b>
Positions	0	0
FTE	0.00	0.00

**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 2828 extends the sunset date of provisions requiring the Oregon Health Authority to contract with a third party to conduct a study to examine options for financing health care delivery in Oregon. The options should include:

1. An option for a publicly financed single-payer model for financing privately delivered health care that is decoupled from employment and allows commercial insurance coverage only of supplemental health services not paid for under the option.
2. An option that allows individuals to choose between a publicly funded plan and private insurance coverage, and allows for fair and robust competition between public and private insurance.
3. The current health care financing system in the state that includes Coordinated Care Organizations, the Oregon health insurance exchange, and full implementation of the Affordable Care Act.
4. An option that provides essential health benefits, including preventive care and hospital services that allows a person to access the commercial market to purchase coverage that is not under the plan.

The bill directs OHA to report on the progress of the study during the 2016 legislative session. OHA is required to submit the final report to the interim legislative committee no later than November 1, 2016, and to the Legislative Assembly during the 2017 legislative session. The bill sunsets January 2, 2018.

Using cost information for comparable work conducted by the New York State Department of Health and Department of Insurance, the Oregon Health Authority estimates the cost of contracting with a third party to conduct this study to be roughly \$600,000 Total Funds.

The bill instructs OHA to accept funding from a variety of sources to carry out this study. The bill stipulates that OHA is only obligated to conduct this study, if this external funding is available. This

concept was originally introduced in SB 3260 (2013), and a study has not been conducted because no source of external funding has been identified.

HB 2828 appropriates an unspecified amount of General Fund to the Oregon Health Authority for the 2015-17 biennium to carry out the provisions of this bill.

This measure requires budgetary action for the appropriation of General Fund.