

STAFF MEASURE SUMMARY

House Committee On Health Care

**Fiscal:** Has minimal fiscal impact

**Revenue:** No Revenue Impact

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**Action Date:** 04/13/15

**Action:** Do Pass As Amended And Be Printed Engrossed.

**Meeting Dates:** 03/06, 04/13

**Vote:**

Yeas: 7 - Clem, Greenlick, Hayden, Kennemer, Keny-Guyer, Lively, Nosse

Nays: 1 - Buehler

Exc: 1 - Weidner

**Prepared By:** Sandy Thiele-Cirka, Committee Administrator

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**WHAT THE MEASURE DOES:**

Directs Oregon Health Authority (OHA) to convene a stakeholder workgroup. Specifies workgroup membership, when the first meeting shall occur and to develop recommendations to be reported to the interim health care committees no later than December 1, 2015.

**ISSUES DISCUSSED:**

- Recommendations from the Oregon Basic Health Program (BHP) 2014 Study
- Low-income Oregonians that are uninsured
- Funding and federal subsidies for BHP
- Coordinated Care Organizations participation
- Current health care disparities
- Potential fiscal impact
- Proposed amendment

**EFFECT OF COMMITTEE AMENDMENT:**

Replaces original measure.

**BACKGROUND:**

Section 1331 of the Patient Protection and Affordable Care Act (ACA) gives states the option to operate a Basic Health Program (BHP) to cover certain consumers with incomes up to 200 percent of the federal poverty level (FPL) through state-contracting "standard health plans," rather than Qualified Health Plans (QHPs) offered through the Health Insurance Marketplace. BHP-eligible consumers include citizens and lawfully present immigrant adults between 138 and 200 percent of FPL; and lawfully present immigrants under 138 percent of FPL whose immigration status makes them ineligible for federally matched Medicaid (usually because of lawful residence for less than five years). BHP enrollees must receive coverage no less generous and affordable than what they could have obtained from subsidized QHPs. The federal government provides states with funding equal to 95 percent of the subsidies BHP enrollees would have received in the marketplace, but that funding cannot be used for program administration or operations.

The Oregon Legislative Assembly passed House Bill 4109 (2014), which directed the OHA to commission an independent study of the costs and impacts of operating a BHP in Oregon. OHA contracted with Wakely Consulting Group and The Urban Institute to produce the report, which analyzed a BHP's potential effects on consumers, the Oregon marketplace, state-funded health care costs and other topics.