

---

# MEMORANDUM

Legislative Fiscal Office  
900 Court St. NE, Room H-178  
Salem, Oregon 97301  
Phone 503-986-1828  
FAX 503-373-7807

---

---

**To:** Human Services Subcommittee

**From:** Matt Stayner, Legislative Fiscal Office  
(503) 986-1840

**Date:** 2/24/16

**Subject:** HB 4071  
Work Session Recommendations

The measure establishes a financial assistance program to pay the premium cost of qualified health plans and the out-of-pocket expenses for the coverage provided under those plans for certain individuals residing in Oregon under a Compact of Free Association with income less than 138% of the federal poverty guidelines. The program is to be administered by the Department of Consumer and Business Services (DCBS) with the advice in the development, implementation, and operation of the program from an advisory committee appointed by DCBS as required by the bill.

DCBS was directed by HB 2522 (2015) to develop recommendations for the creation of a premium assistance program for low-income COFA islanders. Those recommendations, published Nov. 9, 2016 included that the maximum total cost of the program for the state would be \$1,823,000 per year assuming 1,500 program participants, including \$221,000 per year for program administration.

The measure creates the COFA Premium Assistance Program Fund and appropriates \$1,823,000 General Fund to be deposited in the fund for the operation of the premium assistance program.

The Legislative Fiscal Office recommends the measure be moved to the full committee with a "do pass" recommendation.

### **Recommended Changes to Bill:**

The amendment adds a \$1,823,000 Other Funds limitation to the Department of Consumer and Business Services for the expenditure of monies out of the COFA Premium Assistance Fund established in the bill and makes a technical adjustment to the appropriation language for the fund.

### ***Motion:***

Move the LFO recommendation to adopt the -2 amendment to HB 4071

### **HB 4071 Final Subcommittee Action:**

***Final Motion:***

Move HB 4071 to the full committee with a “do pass” recommendation, as amended.