

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 4071**78th Oregon Legislative Assembly – 2016 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: Kim To
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Date: 2/1/2016**Measure Description:**

Establishes COFA Premium Assistance Program administered by Department of Consumer and Business Services to provide financial assistance with health care premiums and out-of-pocket costs for Pacific Islanders legally residing in Oregon under Compact of Free Association.

Government Unit(s) Affected:

Department of Consumer and Business Services (DCBS)

Summary of Expenditure Impact:

	2015-17 Biennium	2017-19 Biennium
Personal Services	134,411	169,031
Services & Supplies	54,710	88,302
Special Payments	1,633,879	3,267,758
Total General Fund	\$1,823,000	\$3,525,091
Position	1	1
FTE	0.63	1.00

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 4071 appropriates \$1,823,000 General Fund to the Department of Consumer and Business Services (DCBS), and directs the agency to establish and administer the COFA Premium Assistance Program to enable low-income individuals who legally entered the United States under a Compact of Free Association (COFA) from the Republic of Palau, the Republic of the Marshall Islands, and the Federal States of Micronesia currently residing in Oregon to purchase qualified health plan coverage through the health insurance exchange and to pay out-of-pocket costs associated with coverage .

The bill sets eligibility terms for the program, and directs DCBS to: (1) establish application, enrollment and renewal processes; (2) launch a community education and outreach program by no later than September 1, 2016; (3) appoint an advisory committee; and (4) report to the Legislative Assembly by November 1, 2016.

DCBS reports that the agency would need about six months to develop the program and begin enrolling participants starting in fall 2016 for the 2017 plan year open enrollment period. DCBS anticipates the administrative costs to be \$189,121 General Fund for the 2015-17 biennium. This amount includes Personal Services costs for one Operations and Policy Analyst 4 position to manage program implementation, development and outreach. The remaining \$1,633,879 General Fund will be used to leverage federal subsidies to garner coverage equivalent to Medicaid for about 1,000 to 1,500 COFA islanders in Oregon, including funding for assistance to help pay for premiums and out-of-pocket costs.

This bill requires budgetary action for position authorization, and the appropriation of \$1,823,000 General Fund to the Department of Consumer and Business Services for the 2015-17 biennium.