

House Bill 4017

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 **as introduced**.

Requires Department of Consumer and Business Services in collaboration with Oregon Health Authority and stakeholder advisory group to create blueprint for Basic Health Program. Specifies requirements for program. Grants sole authority to department to submit waiver for state innovation under Patient Protection and Affordable Care Act. Requires department to report to legislative committees and Legislative Assembly on blueprint for Basic Health Program and recommendations for waiver for state innovation.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to health care; and declaring an emergency.

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

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

5 (a) **"Affordable" means that an employee's annual contribution toward premiums for**
6 **employer-sponsored health insurance for self-only coverage or, if applicable, for family cov-**
7 **erage, does not exceed 9.5 percent of the family's household income, as determined under 26**
8 **C.F.R. 1.36B-1.**

9 (b) **"Basic Health Program" means a program certified by the United States Secretary**
10 **of Health and Human Services under 42 U.S.C. 18051.**

11 (c) **"Blueprint" means the written document described in 42 C.F.R. 600.110.**

12 (d) **"Comprehensive" means health insurance that provides minimum essential coverage**
13 **and minimum value.**

14 (e) **"Coordinated care organization" has the meaning given that term in ORS 414.025.**

15 (f) **"Health insurance exchange" has the meaning given that term in ORS 741.300.**

16 (g) **"Minimum essential coverage" has the meaning given that term in 26 U.S.C. 5000A(f)**
17 **and any implementing regulations adopted by the United States Department of the Treasury.**

18 (h) **"Minimum value" has the meaning given that term in 26 U.S.C. 36B(c)(2)(C)(ii) and**
19 **any implementing regulations adopted by the United States Department of the Treasury.**

20 (i) **"Standard health plan" means a qualified health plan, as that term is defined in ORS**
21 **741.300, that offers the coverage described in subsection (3)(c) of this section.**

22 (2) **Not later than December 31, 2016, the Department of Consumer and Business Ser-**
23 **VICES, in collaboration with the Oregon Health Authority and in consultation with the**
24 **stakeholder advisory group created in subsection (5) of this section, shall create and present**
25 **to the interim committees of the Legislative Assembly related to health a blueprint for a**
26 **Basic Health Program.**

27 (3) **The blueprint must include all of the following components:**

28 (a) **The Basic Health Program must serve residents of this state who are less than 65**

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 years of age, who do not have access to comprehensive and affordable employer-sponsored
2 health insurance and who are:

3 (A) United States citizens with incomes at or above 138 percent but no greater than 200
4 percent of the federal poverty guidelines and who do not qualify for the state medical as-
5 sistance program or TRICARE; or

6 (B) Lawfully present noncitizens who would qualify for the state medical assistance pro-
7 gram but for their immigration status or the duration of their residency in the United
8 States.

9 (b) Basic Health Program participants may choose to enroll in either a coordinated care
10 organization or a standard health plan offered through the health insurance exchange.

11 (c) The Basic Health Program must cover the same health benefits that are covered in
12 the state medical assistance program, except for dental care for adults.

13 (d) There may be no deductibles, coinsurance, copayments or other cost-sharing re-
14 quirements imposed on Basic Health Program participants.

15 (e) No premiums may be imposed on Basic Health Program participants whose incomes
16 are below 138 percent of the federal poverty guidelines.

17 (f) Premiums may be imposed on Basic Health Program participants whose incomes are
18 at or above 138 percent of the federal poverty guidelines based on a sliding scale that ensures
19 that the premiums are affordable.

20 (g) Basic Health Program participants shall enroll in a coordinated care organization or
21 standard health plan through the health insurance exchange and shall remain continuously
22 eligible for a period of 12 consecutive months as long as they reside in this state.

23 (h) Physical and mental health care providers shall be reimbursed for the services pro-
24 vided to Basic Health Program participants at a rate equal to the average of the rate paid
25 by Medicare and the rate paid by commercial insurers for the services.

26 (i) The cost of the Basic Health Program must be maintained at a fixed rate of growth
27 annually.

28 (4) The blueprint presented to the interim committees of the Legislative Assembly must
29 specify the administrative framework for grievance procedures, for premium billing and for
30 providing customer service to Basic Health Program participants.

31 (5) The department and the authority shall convene a stakeholder advisory group con-
32 sisting of:

33 (a) Advocates for low-income individuals and families;

34 (b) Advocates for consumers of health care;

35 (c) Representatives of health care provider groups; and

36 (d) Representatives of the insurance industry.

37 (6) When presenting the blueprint to the interim committees of the Legislative Assembly
38 related to health, the department and the authority shall also report the additional cost
39 predicted to be incurred by this state to cover dental care for adults in the Basic Health
40 Program.

41 **SECTION 2.** (1) Subject to subsection (2) of this section, the Department of Consumer
42 and Business Services shall have sole authority to request a waiver for state innovation un-
43 der 42 U.S.C. 18052. In developing a request for a waiver, the department shall convene an
44 advisory group to advise and assist the department in identifying federal provisions subject
45 to waiver that are expected to improve the delivery of quality health care to residents of this

1 state.

2 (2) The department may not submit a request for a waiver to the United States Secretary
3 of Health and Human Services or Secretary of the Treasury until the department has pre-
4 sented the proposed waiver to the committees of the Legislative Assembly related to health
5 and to the Legislative Assembly as specified in subsection (3) of this section.

6 (3) Not later than March 1, 2017, the department shall report to the Legislative Assembly,
7 in the manner provided in ORS 192.245, its recommendations for submitting a waiver under
8 42 U.S.C. 18052 alone, or in combination with a request under 42 U.S.C. 1315 to operate a
9 demonstration project in the medical assistance program.

10 SECTION 3. This 2016 Act being necessary for the immediate preservation of the public
11 peace, health and safety, an emergency is declared to exist, and this 2016 Act takes effect
12 on its passage.
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