

Chair Greenlick and Members of the Committee,

My name is Peter Callero and I am a Professor of Sociology at Western Oregon University. I'm writing today in opposition to House Bill 3428. The bill is poorly thought out, poorly timed, and doesn't take into account the complexities of the range of collectively bargained contracts.

HB 3428 takes a dramatic step in abolishing the Oregon Educator Benefit Board (OEBB), the public school counterpart to PEBB, and will have all the administrative functions currently performed by OEBB transferred to PEBB. PEBB, at the same time, would become an administrative agency that is no longer obligated to provide health benefits to anyone. Virtually all public employees in Oregon would be enrolled in coordinated care organizations (CCOs) that contract with the Oregon Health Authority, the agency responsible for administering Medicaid through CCOs in Oregon through the Oregon Health Plan (OHP).

While CCOs have many laudable goals, early evaluations conducted by Providence Center for Outcomes Research & Education, PSU and Intermountain Health Care suggests that they are still unable to meet their metrics on access and are very much still in developmental modes. To make such a dramatic shift to a comprehensive new modality at this time when incremental adjustments to PPOs (preferred provider and medical home systems) that have been shown to have similar efficiencies to CCOs, does not make sense.

I also have extreme concerns about the CCO model and its impact on higher education faculty who – as a condition of their job – often travel domestically and internationally in order to present at conferences and conduct research. It is incredibly disturbing that a CCO may not be able to provide medical services when members are traveling outside the service area. Thus, if HB 3428 were to become law, Oregon's public university faculty would likely find themselves in a position where they would not have medical coverage if they traveled abroad for work, or even if they found themselves in certain parts of the U.S.

This bill will destabilize and create chaos not only for public university professors, but on the private health care marketplace – especially in rural Oregon. I strongly urge your opposition to HB 3428.

Sincerely,

Peter Callero

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