

Floor Letter in Support of House Bill 2342A

Dear Speaker Kotek and Representatives,

House Bill 2342A will provide necessary tools for the Oregon Department of Consumer and Business Services (DCBS) to respond quickly to protect consumers and maintain stability in Oregon's health insurance market in the event of potentially disruptive federal changes. Although we hope the powers outlined in this legislation will never need to be used, this bill is a prudent step to ensure the state has the tools it needs to respond to a crisis.

As you know, Congress and the administration are discussing significant changes to the Affordable Care Act. Some of the contemplated changes could be destabilizing to the Oregon health insurance market, including the loss of funding for critical cost-sharing reduction plans available to consumers.

HB 2342A cannot by itself protect Oregon consumers from all of the potential impacts of federal action, but it can enable state regulators to make adjustments if major federal changes happen after health insurance rates and plans have already been approved.

With this legislation, DCBS will have the flexibility it needs to respond quickly and act to protect consumers. Without this legislation, regulators would be locked into the approval of potentially unsound rates; regulators would not be able to act to preserve access to affordable health coverage for as many Oregonians as possible; and regulators may be limited in efforts to ensure that competitive health insurance markets could survive in the new environment.

HB 2342A conveys extraordinary, though time-limited, powers to DCBS. HB 2342A also establishes a robust and transparent process for DCBS to invoke these powers by requiring direction from the Oregon Health Insurance Marketplace Advisory Committee, which is Vice-Chaired by OSPIRG Policy Director Jesse O'Brien. We are committed to working to create a robust public process to inform any use of this legislation that may prove necessary.

OSPIRG urges your support for House Bill 2342A.