

**HB 3428 STAFF MEASURE SUMMARY**

**House Committee On Health Care**

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**Action Date:** 04/17/17

**Action:** Without recommendation as to passage and be referred to Rules.

**Vote:** 9-0-0-0

**Yeas:** 9 - Alonso Leon, Buehler, Greenlick, Hack, Hayden, Kennemer, Keny-Guyer, Malstrom, Nosse

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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**WHAT THE MEASURE DOES:**

Enrolls specified public employees in coordinated care organizations (CCOs). Authorizes enrollment of other individuals not otherwise eligible to enroll in CCOs. Abolishes Oregon Educators Benefit Board (OEBB). Incorporates duties of OEBB into Public Employees' Benefit Board (PEBB). Removes PEBB responsibility for providing health benefits. Temporarily caps hospital reimbursement paid by boards to hospitals at 180 percent of Medicare amount. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Rising health care costs and the impact to the state budget
- Need to control cost curve for state employees
- OEBB and PEBB's current process
- Concerns about limiting provider access to state employees
- Coordinated care organizations' ability to absorb new patients
- Network adequacy
- Limiting health care options

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

Oregon's Public Employees' Benefit Board (PEBB) designs, contracts and administers a program of benefits for the state as the employer and state employees. The benefits include medical and dental coverage; life, accident, disability and long-term care insurance; and flexible spending accounts. The Board also offers health care insurance options for retirees not yet eligible for Medicare and individuals in other participating groups. PEBB's total membership is approximately 127,000 individuals.