

HB 3418 STAFF MEASURE SUMMARY

House Committee On Health Care

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: No revenue impact

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WHAT THE MEASURE DOES:

Modifies the reimbursement methodology for health care services and supplies provided to enrollees in the health benefit plans offered by the Public Employees' Benefit Board (PEBB). Declares emergency, effective on passage.

ISSUES DISCUSSED:

- PEBB's increasing hospital costs
- Importance of containing costs for state employees
- Average inpatient/outpatient costs for self-insured plans
- Exempts Type A and B hospitals and critical access hospitals
- Concerns about limiting PEBB's purchasing power and incentives
- Hospitals and health systems are paid on performance
- Concerns about fee-for-service model

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.