

## HB 2706 STAFF MEASURE SUMMARY

### House Committee On Health Care

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**Prepared By:** Oliver Droppers, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 3/12

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#### WHAT THE MEASURE DOES:

Establishes a dental program in the Oregon Health Authority (OHA) to provide oral health coverage to low-income citizens of the island nations in the Compact of Free Association (COFA) with incomes below 138 percent of the federal poverty level. Authorizes OHA to contract with dental care organization to provide oral health services to individuals enrolled in the program. Specifies covered services are based on services provided to medical assistance recipients without any out-of-pocket costs for enrollees. Allows OHA to establish the program application and eligibility verification process through rulemaking.

*REVENUE: May have revenue impact, but no statement yet issued.*

*FISCAL: May have fiscal impact, but no statement yet issued.*

#### ISSUES DISCUSSED:

##### EFFECT OF AMENDMENT:

No amendment.

##### BACKGROUND:

After World War II, the United States assumed administration of the Trust Territory of the Pacific Islands. Individuals from these islands, referred to as “Compact of Free Association” (COFA) citizens, can freely migrate, without work permits or visas, and study, live, and work in the United States. In 2016, the Oregon Legislative Assembly established the COFA Premium Assistance Program. The program provides financial assistance to enable low-income COFA citizens residing in Oregon to purchase health insurance through the federal marketplace and to pay out-of-pocket costs associated with the coverage. The program does not provide financial assistance with dental coverage, as most of the federal marketplace health plans do not include adult dental benefits, and federal subsidies are not designed to cover them.

In 2017, Senate Bill 147 passed requiring the Department of Consumer and Business Services to convene a work group to develop recommendations to create a program to reimburse the costs of oral health care for low-income COFA residents living in Oregon. The COFA oral health advisory group met in the summer of 2017 and concluded that an oral health coverage program for COFA islander adults should be created using the managed care dental framework employed by the Oregon Health Authority (OHA) for Oregon Health Plan (OHP) clients. The group anticipated that directly contracting with regional dental care organizations around the state would be the most effective way to operate the program. Furthermore, the work group expressed concerns about out-of-pocket costs for private-plan based programs, forgoing needed care, and lack of standardization of benefits across private plans, which would create an administrative burden compared to OHP which has no out-of-pocket costs and a single dental coverage plan for adults.

House Bill 2706 creates a dental coverage program in the Oregon Health Authority for low-income COFA citizens that reside in Oregon and lack access to affordable dental coverage.