

SB 780 A STAFF MEASURE SUMMARY

Senate Committee On Health Care

Action Date: 04/08/19

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 4-1-0-0

Yeas: 4 - Beyer, Knopp, Linthicum, Monnes Anderson

Nays: 1 - Fagan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 3/13, 4/3, 4/8

WHAT THE MEASURE DOES:

Requires the Oregon Health Authority (OHA), Public Employees' Benefit Board (PEBB), Oregon Educators Benefit Board (OEBB), and the Department of Consumer and Business Services (DCBS) to establish a pilot program that consolidates health insurance plans offered by PEBB, OEBB and the state medical assistance program into one contract with distinct plan-specific benefits in Josephine, Jackson, Curry, and southern Douglas Counties. Specifies required features of pilot program. Requires OHA and DCBS to adopt rules no later than October 1, 2019 and implement pilot program no later than October 1, 2020. Requires OHA and DCBS to report to Legislative Assembly by July 1 of 2021, 2023, and 2025. Sunsets pilot program on January 2, 2026. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- PEBB and OEBB rate of growth caps in Senate Bill 1067 (2017)
- Potential level of provider reimbursement
- Previous CCO experience administering PEBB plan in southern Oregon
- Potential challenges with dental integration
- Potential impact on provider access for PEBB and OEBB members
- Potential impact on OEBB pool and associated bargaining leverage

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

Oregon's Public Employees' Benefit Board (PEBB) contracts for and administers benefits for eligible state employees. PEBB provides medical and dental benefits for approximately 136,000 individuals (53,000 subscribers and 83,000 dependents). The Oregon Educators Benefit Board (OEBB) provides a comprehensive selection of benefit plan options for most of Oregon's K-12 school districts, education service districts, and community colleges, as well as a number of charter schools and local governments across the state. OEBB currently provides benefits for almost 150,000 individuals, including actively employed and retired members and their families.

With the passage of House Bill 3650 (2011) and Senate Bill 1580 (2012), the Legislative Assembly established the Oregon Integrated and Coordinated Health Care Delivery System in which newly established coordinated care organizations (CCOs) became responsible for coordinating the physical, behavioral, and oral health care for individuals enrolled in the state's Medicaid program, the Oregon Health Plan (OHP). In recent years, Oregon has aligned goals for CCOs, PEBB, and OEBB, including rate of spending growth and primary care spending targets.

SB 780 A STAFF MEASURE SUMMARY

Senate Bill 780-A requires the Oregon Health Authority, Department of Consumer and Business Services, PEBB, and OEBC to establish a pilot program that consolidates health insurance plans offered by PEBB, OEBC, and OHP into one contract with distinct plan-specific benefits in Josephine, Jackson, Curry, and southern Douglas Counties.