

Joint Task Force on Universal Health Care

Outstanding Design Element 7: Transition Plan

DRAFT

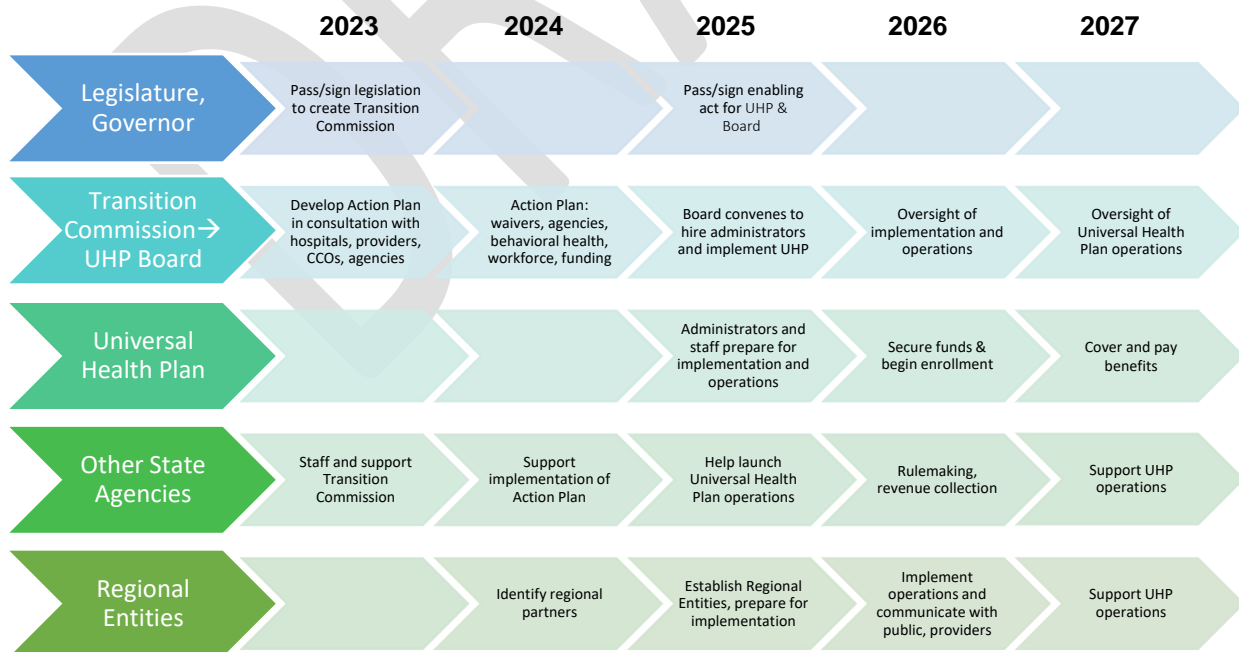
I. Goals of Transition Plan Outstanding Design Element (ODE)

Senate Bill 770 requires the Task Force to develop recommendations to the Legislative Assembly with timelines and actions needed to establish a system of universal care. The goal of this outstanding design element is to:

- a. Provide succinct statements about the actions needed to establish the Universal Health Plan.
- b. Identify priority objectives to complete the transition to the Universal Health Plan.
- c. Establish a timeline for actions and recommendations to the Legislative Assembly.

Critical checkpoints must be reached for the Universal Health Plan to be implemented. First, in 2023, the Legislature would establish a Transition Commission to detail an Action Plan for federal waivers and authorities, agency integration, behavioral health care, workforce readiness, and revenue systems. The Transition Commission would report back to Legislature in advance of the 2025 session. In 2025, the Legislature would pass enabling legislation to create the Universal Health Plan and to establish its board and regional entities.

Table 1. Implementation Timeline



II. Establish the Universal Health Plan Transition Commission

To advance the Universal Health Plan from proposal to implementation, significant work remains. These activities are the purview of the Universal Health Plan Transition Commission (“Transition Commission”), to be established by the Legislature with the authority to develop and implement an action plan that is accountable and transparent to the public.¹

In the Task Force’s Regional Community Listening Sessions, members described an entity independent of the state government, like the SAIF Corporation, whose five-member board administers workers compensation benefits in Oregon.² Examples in other states include Washington’s Universal Health Care Commission,³ Vermont’s Green Mountain Care Board,⁴ and the Maryland Health Services Cost Review Commission.⁵

Table 2. Examples health policy boards and commissions

Board	SAIF Corporation	Universal H.C. Commission (WA)	Green Mountain Care Board (VT)	Cost Review Commission (MD)
Function	Administer non-profit for workers compensation	Transition Planning for Universal Care	Established during single payer effort; now oversees waivers, policies	Oversees Maryland’s all-payer system with CMS waivers
Size	Five members	Fifteen members	Five members	Seven Members
Composition	Business executives	Legislators, agency officials, hospital and insurance execs	Former medical executives, scholars, and attorneys	Providers, administrators, scholars
How appointed	SAIF members, appointed by Governor	Legislators, Gov. appointees, agency officials	Nominating committee, Gov. appointment	Gov. appointees

The legislature will decide key features of the Transition Commission, including its size, composition, and objectives. Members may include Governor appointees, agency officials, and/or legislators. Vermont, Maryland, and SAIF provide examples of professional, working boards of five to seven members with authority to make key policy decisions. Smaller than the bodies tasked with plan design in Washington and Oregon, these groups move nimbly through complex health policy issues, such as securing waivers and setting provider reimbursement rates. To balance expertise, a nominating committee selects candidates for Vermont’s Green Mountain Care Board, pursuant to statute, before they are appointed by the Governor.⁶

¹ See, e.g., [Wa. Senate Bill 5399](#) (2021) (establishing Washington’s Universal Health Care Commission to develop “implementable changes to the state’s health care financing and delivery system.”)

² SAIF Corporation, [Board of Directors](#) (Retrieved July 15, 2022).

³ Universal Health Care Commission, [Commission Members](#), Washington State Health Care Authority (retrieved July 15 (2022). Commission includes six governor appointees, four legislators, and five executive branch seats.

⁴ [Green Mountain Care Board](#), State of Vermont (retrieved July 15, 2022). The five-member board was established in 2011 as Vermont moved toward establishing a state single payer system. The board now oversees policies including Vermont’s all-payer Medicare waiver and accountable care organizations.

⁵ [Health Services Cost Review Commission](#), State of Maryland (retrieved July 21, 2022). Maryland’s seven-member board sets rates for Maryland’s all-payer system that was created by federal statute and ongoing waivers from the Centers for Medicare and Medicaid Services (CMS).

⁶ [18 V.S.A. § 9390](#). Nominating Committee consists of nine members, including legislators and Governor appointees.

The Transition Commission will work collaboratively with partners across the health care system, including hospitals, providers, insurers, and Coordinated Care Organizations, to unwind the existing health care financing system and prepare for implementation of the Universal Health Plan. The Transition Commission will also work closely with agencies (Oregon Health Authority, Department of Human Services, Department of Business and Consumer Services, Department of Revenue) that have the technical capacity and authority to support key phases of implementation, such as waiver applications and regulation of insurance carriers. The legislature may direct the agencies to support the work of the Transition Commission.⁷

The Legislature will need to determine the resources needed for the Transition Commission to meet its objectives. Drafters of SB 770 anticipated that the transition effort would be a full-time commitment for Commissioners until the Universal Health Plan is implemented and/or the Transition Commission is dissolved.⁸ To allow a full-time commitment from members, the Transition Commission may be structured so that members are eligible for compensation for their time.⁹ The Transition Commission may also seek expertise from contractors in technical areas, such as waiver applications and additional economic analysis.¹⁰

The Transition Commission will require the support of staff, which may be provided by the executive branch and may include Oregon Health Authority, Department of Consumer and Business Services, Department of Human Services, the Department of Revenue, and other agencies. Staff support will include, but is not limited to, research and policy analysis, coordination with agencies and other entities,¹¹ materials and presentations, administrative support for commission and committee meetings, coordination with contractors, etc.¹²

III. Develop an Action Plan

Once established, the Transition Commission will need to assess the readiness of key institutions and develop a detailed plan of action (“Action Plan”) in collaboration with partner entities.¹³ The Action Plan should address the following issues, among others:

Waivers and Approvals: An early objective of the Transition Commission will be to engage with federal authorities to seek necessary approvals to implement the Plan.¹⁴ Vermont and Maryland are examples of states whose independent boards use legislatively authorized funding to innovate in collaboration with the Centers for Medicare

⁷ See, e.g., [SB 770, as introduced](#), at Section 23. “All agencies of state government, as defined in ORS 174.111, are directed to assist the commission in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the commission consider necessary to perform their duties.”

⁸ *Id.*

⁹ *Id.* See also, [18 V.S.A. § 9372](#) (providing for members of Vermont’s Green Mountain Care Board to be compensated at the rate of state court judges).

¹⁰ See, e.g., Arjun, Liz et al, [Washington Universal Health Care Commission Report to the Legislature](#), Health Management Associates, slides 31-109 (June 16, 2022).

¹¹ E.g., Oregon Health Policy Board, Cost Growth Target Advisory Committee, and Prescription Drug Advisory Board.

¹² See, e.g., Green Mountain Care Board, [Staff Directory](#) (retrieved July 21, 2021) (including executive assistants, legal counsel, and policy and data analysts, etc.)

¹³ Wa. Senate Bill 5399, *supra* note 1. See also, Arjun *et al*, *supra* note 9.

¹⁴ See, Green Mountain Care Board, *supra* note 4, and Maryland Health Services Cost Review Commission, *supra* note 5. Independent commission secure critical permissions from the federal government, including approvals or waivers from the Centers for Medicare and Medicaid Services (CMS)).

and Medicaid Services (CMS). The Transition Commission will need to start immediately and work closely with CMS to secure approvals for the Universal Health Plan.¹⁵

Workforce: The Universal Health Plan is designed to change how health care is financed and delivered. This will result in changes to Oregon's health care workforce. On the administrative side, private insurance companies will continue to exist but may play a more limited role. Professionals who currently work in claims processing and benefit administration for private insurers and provider offices will require training and support during the transition.¹⁶ The Universal Health Plan will need to recruit, hire, and train a robust staff to administer benefits for everyone in the state, and may also partner with third parties.

On the provider side, the Universal Health Plan will need to maintain a robust network of practitioners across the state. Given workforce challenges in Oregon's current system,¹⁷ the Transition Commission will need to offer competitive rates of reimbursement, pursue innovative strategies such as rural residency programs, and build upon existing incentives for providers, such as loan repayment and tax credits for rural providers.¹⁸

Agency Integration: The Commission will work closely with the Department of Consumer and Business Services, Oregon Health Authority, and Department of Human Services to determine if and how existing systems will integrate with the Universal Health Plan. The Commission will work with agencies to identify existing statutory authorities along with IT infrastructure for quality reporting, data analytics, claims processing, eligibility and enrollment programs. The Transition Commission will evaluate the role of existing boards, commissions, and councils in the work of the Universal Health Plan. Lastly, the Transition Commission will work with OHA to transition the Oregon Health Plan, PEBB, OEBC, and ACA into the new coverage program.

Behavioral Health: The Task Force has emphasized that the Universal Health Plan must expand access to behavioral health services and increase reimbursement for behavioral health providers. To accomplish these objectives, the Transition Commission will study strategies to support the behavioral health system, which may include wage floors or wage add-ons, recruitment and retention bonuses, and other evidence-based reforms to behavioral health services.¹⁹

Funding: While the Task Force and its actuary studied the prospective expenditures associated with a single payer health care system, a full analysis of the economic impacts of the proposed policy is needed.²⁰ In addition to the workforce implications above, the Transition Commission should study and address impacts specific to small

¹⁵ Joint Task Force on Universal Care, [Medicare Outstanding Design Element, Background Brief](#) (March 31, 2022).

¹⁶ White, Chapin, et al, [A Comprehensive Assessment of Four Options for Financing Health Care Delivery in Oregon](#), RAND Corporation (2017) (estimating that a single payer health care system in Oregon would reduce insurance-related jobs by 2,700 but would increase overall jobs by 5,800.)

¹⁷ Oregon Health Authority, [Oregon's Health Care Workforce](#) (February 2021).

¹⁸ See [Office of Rural Health](#), OHSU (retrieved July 20, 2022).

¹⁹ Zhu, Jane et al, Behavioral Health [Workforce Report to the Oregon Health Authority and State Legislature](#), OHSU (February 1, 2022).

²⁰ See, e.g., White, et al, *supra* note 17 (finding that the overall macroeconomic impact of a single payer system would increase overall employment in the state by 0.1%).

employers, employees of Oregon-based companies who reside in border states, and employees covered by Taft-Hartley plans.

The Transition Commission will need to detail the Universal Health Plan's administrative structure (payment, quality, reporting, transparency, program integrity, etc.) in order to develop a robust cost proposal to fund the implementation plan.²¹ A critical component of the transition will be securing federal funding sources (Medicare, Medicaid, ACA funds) and state revenues (payroll tax, personal income tax) to determine exactly how much funding will be required and when.

The Transition Commission will determine a precise timeline to secure funds from federal and state sources. The Universal Health Plan will require sufficient funding during the transition period to wind down the existing system, to build reserves, and to begin paying benefits. The Transition Commission will need to work closely with providers and health systems to monitor quality and cost the transition and beyond.

The Transition Commission will work toward these and other objectives necessary to develop and complete its Action Plan. In advance of the 2025 Legislative Session, the Transition Commission will recommend enabling legislation to create the Universal Health Plan and to establish the Universal Health Plan Board, allowing the Transition Commission to be dissolved. The Universal Health Plan Board will oversee the implementation activities of the Universal Health Plan in partnership with state agencies.

IV. Recommendations

The Task Force recommends the following actions:

2023: Establish a Transition Commission to secure federal waivers and approvals and to detail specific actions needed to prepare Oregon's workforce, agencies and behavioral health and revenue systems.

- The Transition Commission will report back to Legislature in advance of the 2025 Legislative Session.

2025: Enact the Universal Health Plan, establishing its board regional entities to prepare for implementation and operations.

²¹ CBIZ Optumas, [Single Payer Operations/Administration](#), ERA Work Group (February 18, 2022).