

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2010 - A5

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Directs Oregon Health Authority, in collaboration with Department of Consumer and Business Services, to create implementation plan for public health plan to be made available to individuals and families in individual health insurance market and to small employers.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Consumer and Business Services (DCBS)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2021-23 Biennium	2023-25 Biennium
General Fund	\$650,000	\$0
Total Funds	\$650,000	\$0
Positions	0	0
FTE	0.00	0.00

Analysis:

HB 2010 - A5 directs the Oregon Health Authority (OHA) in collaboration with the Department of Consumer and Business Services (DCBS), to develop a plan to implement a public health plan that will be available to individuals and families in the individual health insurance market, and to small employers whose employees struggle with health care costs.

OHA and DCBS are directed to analyze federal funding opportunities, assess need for this plan across specific populations, and determine the effect the plan would have on the overall stability of insurance markets in Oregon. The agencies are additionally directed to assess how recent federal program changes could improve affordability and access to coverage, benefits of state-based technology platform, subsidy needs, and coverage strategies under development by the Task Force on Universal Health Care.

OHA and DCBS are to make recommendations for implementing a plan, including:

- Operating structure and governance;
- How to leverage existing state-backed plans or networks;
- Option to reduce out-of-pocket costs for individuals;
- How the plan to further state goals of health system transformation;
- Cost containment options;
- Enrollment and outreach infrastructure; and,
- Design options to help eliminate health inequities.

DCBS and OHA are to report to the Legislative Assembly on this work no later than January 1, 2022.

Additionally, OHA is directed to report to the interim committees of the Legislative Assembly related to health no later than July 1, 2022, on recommendations for a regional global budget health care delivery model pilot. The recommendations must consider state and private participation in the health insurance exchange and may include employer-sponsored plans; and be aligned with the state goals for health care transformation, including the use of value-based payments and the health care cost growth target. This measure declares an emergency and takes effect on passage.

OHA anticipates costs of \$650,000 General Fund to implement this measure. This includes up to \$400,000 General Fund in consulting fees to assist with all aspects of the public health plan study, such as analysis of plan design options, reimbursement rates, federal approval, and policy issues, among other work required under this measure. OHA anticipates an additional cost of \$250,000 General Fund in consulting fees to develop recommendations for the regional global budget health care delivery model pilot.

DCBS assumes that OHA will be the lead agency for implementation of this bill, and therefore anticipates a minimal fiscal impact.