



Health Plans Oppose SB 1530



Oregon's health insurance providers have always been trusted partners with the state in tackling tough issues related to health care costs. We are committed to working with our state and private partners to make health care more affordable and equitable through the Sustainable Health Care Cost Growth Target Program. These goals will take our collective best efforts and disciplined commitment.

To that end, we urge the legislature to avoid enacting legislation that may make our shared goals more difficult to achieve, such as imposing new benefit mandates. Benefit mandates such as SB 1530 increase costs of coverage – especially for families who buy coverage without subsidies, small business owners who cannot or do not wish to self-insure, and taxpayers who foot the bill for the state's share of those mandates

SB 1530 will increase premiums, harming affordability and access for small businesses and individual market consumers.

On average, our member health plans have estimated that SB 1530 will increase premiums by \$5.06 per member, per month (PMPM).¹ This estimate aligns with estimates from other states looking to enact a mandate for infertility treatments. In 2020, California estimated that a similar infertility mandate would increase premiums by \$4.99 PMPM in the individual market.

SB 1530 will jeopardize the tax status of consumers' Health Savings Accounts.

If SB 1530 intends to mandate coverage with no cost sharing, then an exemption must be made for high-deductible health plans with an HSA. Before the deductible, HSA plans may only cover benefits without cost sharing that are classified as preventative care under federal law; requiring otherwise will jeopardize the tax status of consumers' HSAs.

SB 1530 will provide inequitable coverage for Oregonians.

SB 1530 only applies to Oregonians in individual market and some state-regulated group plans, which is about 20% of all Oregonians. The bill does not include those covered by PEBB, Medicaid, self-insured plans governed by ERISA, or uninsured residents. This bill may also make some services more expensive to offset this mandate for a small portion of the population.

Oregon should first study the cost impact of this mandate for consumers and the state.

To preserve the balance between comprehensive coverage and affordability, the ACA allows states to mandate benefits in addition to the essential health benefits package but requires states to bear the cost for new mandates enacted after 2011 that exceed those benefits for qualified health plans.² Other states have concluded that the cost of similar infertility mandates must be defrayed by the state. **California estimated that an infertility mandate would result in an annual state responsibility of over \$129 million.**

Before enacting such a costly mandate, we recommend that the state first study its impact on potential utilization and cost to both premiums and the state. The Governor of Washington's proposed budget³ provides a roadmap for such a study. This will also allow the state to get more concrete answers regarding its responsibility to pay for this mandate.

We urge you to oppose SB 1530, which will raise health care premiums, reduce choice and competition, and may require the state to pay for the cost of these services.

¹ Carriers provided a range of cost estimates, due to uncertainty around utilization and vagueness in the bill regarding cost sharing.

² 42 U.S. Code § 18031(d)(3)(B) and 45 CFR §155.170.

³ [WA HB 1816](#) / [WA SB 5693](#)