February 9, 2022

Re: Testimony in support of HB 4035 (2022)

Dear Chair Prusak and members of the House Health Care Committee,

We, the undersigned organizations, support HB 4035 and the transition to a state-based marketplace for Oregon's health insurance exchange. Last year, this legislature took a near-unanimous step in determining how a public option could work in Oregon, and asked state agencies for an implementation plan. That plan, in part, recommended a state-based marketplace (SBM) and laid out a timeline which would make a public option available by 2025. We believe that this transition would mark the next step in lowering costs and increasing health care access in Oregon. We also recognize the need for a smooth redetermination process to keep nearly 300,000 Oregonians covered at the end of the COVID-19 public health emergency. The policies in HB 4035 that are intended to aid in redetermination will also pave the way for a public health insurance option that will benefit people like those 300,000 who most need low-cost, high-quality coverage. We urge you to continue on this path and vote yes on this bill.

A state-based marketplace offers several benefits that our current marketplace fails to accomplish. With a state-controlled technology platform, we will save money in user fees and the state will have more flexibility in pursuing other cost-containment strategies with less constraint from federal rules. Oregon will also have more agency in operating the marketplace and responding to state-specific needs for enrollment, outreach, data collection, and quality metrics, all of which will provide a better service to Oregon consumers and help improve coverage in our state.

Oregon is currently one of only three states to have a hybrid marketplace model, using the federal platform healthcare.gov while performing some marketplace functions ourselves. In the last three years, six states have transitioned to state-based marketplaces, marking 19 SBMs in the United States, including the District of Columbia. With Oregon's goals for health care transformation, we cannot afford to fall behind when it comes to innovation and providing the best care and coverage for Oregonians. This is a step that the Health Insurance Marketplace Advisory Committee has supported as recently as 2019, and it is time we took this step forward. The transition to an SBM takes time, but offers an opportunity to enhance our health care system by lowering costs and tailoring coverage to Oregon-specific needs.

We believe that, with guidance from the state's implementation plan for a public option, as well as coordination between the legislature and state agencies, we can make this transition smoothly. We urge lawmakers to authorize state agencies to move forward with a state-based marketplace for Oregon and to support HB 4035.

Sincerely,

A Public Option for Oregon Coalition

(undersigned):

Oregon State Public Interest Research Group Cascade Aids Project Oregon Academy of Family Physicians The Committee to Protect Health Care Main Street Alliance Oregon Nurses Association Oregon Chapter American College of Physicians Stop the Debt Trap Alliance Leukemia & Lymphoma Society Oregon Primary Care Association United States of Care













Oregon Chapter



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