



Project Access NOW

Community | Care | Connection

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February 9, 2022

Oregon House Committee on Health Care
900 Court St. NE
Salem, OR 97301

Re: HB 4035 – State- Based Marketplace (SBM)

Chair Prusak and Members of the Committee:

I write on behalf of Project Access NOW (PANOW), a non-profit community based organization in the tri-county area with a mission to improve our communities' health and well-being by creating access to care, services, and resources for those in need. We offer our community a suite of programs that promote access to care and social services, regardless of an individual's insurance status or type. Last year alone we moved more than **200 clients from donated care to insurance, filled 17,118 low-cost prescriptions totaling \$2,705,778 in savings for low-income patients, and enrolled 7,556 individuals in health coverage.** PANOW sits squarely between our health system partners, community clinics, and other social service entities to ensure our clients – who are largely low-income, from immigrant populations, non English-speaking, and/or undocumented – can access the resources they need to be healthy.

The Health Insurance Marketplace Advisory Committee, on which PANOW has a seat, has discussed the value of a potential transition to a fully state-based marketplace (SBM). All indications point to the added value for Oregon, including enhanced customer service, the ability to more seamlessly implement state initiatives such as premium assistance programs, opportunity to consider eligibility requirements more locally, and reduced overall costs.

Oregon currently operates as a state-based marketplace on the federal platform (SBM-FP). This means that Oregonians use HealthCare.gov (the federal enrollment and eligibility technology platform) to enroll in individual insurance plans and apply for tax credits available through the marketplace. People requiring more help must call the associated HealthCare.gov consumer assistance center, which is staffed by federal contractors. HealthCare.gov is managed by the federal Centers for Medicare and Medicaid Services (CMS). **Oregon insurance companies currently pay a fee of 3 percent of premiums of individual insurance plans to CMS in order to sell plans through HealthCare.gov, and those costs pass on to the Oregonians paying those premiums.**

HB 4035 will grant state agencies the authority to transition to a state-based marketplace as well as provide direction on how to smooth Medicaid redetermination when the COVID-19 public health emergency ends. Part of that direction is to create a public health plan for Oregonians moving off of Medicaid which incorporates recommendations from the public option implementation plan. **As an entity that drives Medicaid enrollment in our region,**



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we understand first hand how harmful the potential loss of coverage could be for those who will become newly ineligible.

An SBM means that instead of using the federal platform (healthcare.gov), Oregon would be responsible for performing all marketplace functions for the individual health insurance market through a website established and maintained by the state. PANOW agrees with the notion that Oregon needs an SBM and supports the implementation of State-based Marketplace for the reasons noted below:

- **Cost** - Oregon insurers pay the federal government a monthly fee for the use of the federal platform, which would be
- **Independence** - enrollment data would be owned by Oregon rather than federal agencies, meaning Oregon would know more about popular plans and state-specific needs more quickly and more accurately
- **Flexibility** - with its own platform, Oregon would have more control over enrollment outreach and timing, such as open enrollment periods
- **Efficiency** - using state-specific data will allow administrators to address problems quickly and respond to patient questions with better answers
- **Future Redetermination** - Oregon faces an extreme challenge of transitioning 300,000 people from Medicaid to Marketplace plans. Having a state-based marketplace would provide better infrastructure for redetermination and smooth transitions between Medicaid and private plans in the future

Thank you for the opportunity to comment,

Carly Hood-Ronick MPA, MPH
Executive Director