

February 18, 2022

Representative Barbara Smith Warner, Chair
House Committee on Rules
900 Court Street NE, HR C
Salem, OR 97301

Dear Chair Smith Warner and Members of the House Committee on Rules:

Thank you for this opportunity to provide feedback on HB 4035A and possible amendments, addressing Medicaid redeterminations and proposing a bridge program.

Kaiser Permanente is the largest private integrated healthcare delivery system in the U.S., delivering health care to 12.5 million members in eight states and the District of Columbia.¹ To provide care and coverage to Oregon Health Plan (OHP) members, KP serves nearly 65,000 Oregonians as a delegated subcontractor to Health Share of Oregon in the Portland metro area and PacificSource in Marion and Polk counties, on a capitated basis. Kaiser Permanente also participates as a primary care provider under PacificSource in Lane County. Additionally, Kaiser Permanente serves 31,000 members in marketplace coverage in Oregon.

Kaiser Permanente supports programs and policies that ensure all individuals have access to affordable, high-quality health care, and applauds the Legislature for its efforts to prioritize maintaining continuity of care and coverage, especially as Medicaid members navigate the redetermination process after the end of the public health emergency. We share the state's vision and goal of reducing inequities in health care coverage and supporting universal insurance coverage. At Kaiser Permanente, we know that continuous coverage means continuous care. We urge caution, however, as we undertake this challenge, to focus on the most urgent needs in the short term and leave time for thoughtful planning of a sustainable longer-term solution that makes sense for Oregon.

Goals

Under the stated goals of the legislation in Section 1, we recommend the addition of a goal around streamlining the experience of consumers. This would include exploring ways to ease administrative burdens and consider opportunities for automatic or semi-automatic enrollment options for insurance coverage. We would also encourage the Committee to consider a goal around maximizing federal subsidies in order to protect state resources. Lastly, we are supportive of amendments that would extend the number of days for individuals to respond to requests for information from 30 to 90 days.

Redeterminations

The impending end of the federal public health emergency and looming redetermination of over 1.4 million Oregonians on the Oregon Health Plan is an "all hands on deck" situation. We strongly urge the state to

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation's largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operate 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente's members.

focus time, resources and talent on ensuring an efficient and streamlined process and we stand at the ready to assist. To that end, we urge consideration of the following points regarding Sections 2 and 3 of HB 4035A:

- Make clear the triggering event for redeterminations is the federal public health emergency (PHE) and not the state.
- On the public dashboard for monitoring enrollment (Sec. 2(3)), the OHA should present enrollment and disenrollment data chronologically by month of redetermination by category of aid (e.g., parents, children, adults) by projected month of redetermination. This should be organized by coverage end dates.
- When considering the flexibility and phasing of redeterminations (Sec. 2(6)), we recommend requiring transparency and communication with both CCOs and members at least 60 days ahead of each redetermination phase to aid in robust outreach and communication. This could also be added to Sec. 3(5)(e) as a strategy for conducting eligibility determinations to minimize disruptions as beneficiaries transfer into replacement coverage. Lengthening the time for communication and outreach, and the time for an individual's response, will mitigate against avoidable disenrollments.
- Thank you for including the temporary disclosure waiver in Sec. 2(7). This will allow carriers to participate in ensuring continuity of coverage and assisting consumers in preserving continuity of care, including maintaining access to their medical care team, should they so choose. Looking ahead, close collaboration with the state on tailored and consistent messaging in our mutual outreach will be critical.

Bridge Program

Maintaining insurance coverage, especially for those likely to transition between OHP and exchange coverage, is an important strategy toward achieving universal coverage and providing continuity of care. The 12-month redetermination process will tax public, private and community-based resources to assist as many of the current 1.4 million OHP beneficiaries as possible. Knowing that this is a tremendous effort in a short period of time, Kaiser Permanente is supportive of temporarily giving people additional time, as allowed by an 1115 waiver, of coverage on OHP as they are transitioning from Medicaid to exchange coverage. We are not, however, supportive of the implementation of a permanent Bridge Plan for people between 138-200% FPL without substantially more information, consideration, and robust oversight.

A shift to a Bridge Program would be a significant change to the current Oregon health care insurance environment, and, as the state plans for the Medicaid redetermination process to begin in the second or third quarter of 2022, we do not believe a program of this magnitude could be operational to impact the anticipated disruption from OHP re-starting its redetermination protocol. We recommend that Section 6 be removed and that decisions about a permanent program be made with more time, information and consideration.

We strongly believe that the work needed to evaluate and consider ways to permanently mitigate churn between Medicaid and exchange coverage, including a Bridge Program, is a heavy lift in just a few months' time. We appreciate the consideration of extending the Task Force's work from May 31, 2022 to the end of July or August to allow more time to consider unknown impacts on individuals and markets. If possible to take additional time, we would strongly encourage it.

Over the course of its work, we urge the Bridge Program Task Force be required to provide, in addition to Sec. 4(5)(a-m):

- Actuarial analysis of the overall impact on the broader individual insurance market if individuals in the 138-200% FPL income range are redirected from the Marketplace to the Bridge Plan.
- An assessment of the proposed Bridge Plan's viability if the current Advanced Premium Tax Credit subsidies provided under the American Rescue Plan Act sunset at the end of 2022, as provided in current law.
- If alternative solutions might better stabilize the ACA market, enabling a smooth transition from OHP. For example, other states have applied state-level premium subsidies or cost share reduction funds, mitigating some of the financial burdens low-income families face.
- A strategy for how to ease administrative burdens for consumers and consider opportunities for an informed automatic or semi-automatic enrollment.
- Disclosure of all communications from the Centers for Medicare and Medicaid Services (CMS) along with an assessment of the impact on the projected timeline for implementation of a plan and how that supports redeterminations of the 138-200% FPL population.
- Consideration of how a Bridge Program operates with the state's current (or future) 1115 application waiver(s) for continuous coverage of adults and children.
- In 4(5)(L), revise current language to say, "identify potential disruptions to all individuals and small employers, and develop mitigation strategies to ensure market stability including minimizing changes to the reinsurance program and limiting disruptions in coverage. No later than December 31, 2022, the task force must submit recommendations to the legislature that include but are not limited to the potential development of a 1332 waiver, suggested timelines that phase in the bridge program, or any other solutions that alleviate disruptions to individuals and small employers."

State Based Marketplace

While a State Based Marketplace (SBM) was not included in the HB 4035A, further serious consideration of an SBM is merited. Many of the anticipated challenges with the upcoming redetermination stem from a lack of flexibility that comes from reliance on the federal marketplace. Kaiser Permanente looks forward to continued conversations around the future of the insurance marketplace for the state of Oregon.

Thank you for your attention and commitment to ensuring Oregonians can get the best possible coverage and care. Navigating the end of the public health emergency and resulting redeterminations will challenge all of us. We remain steady partners in the service of our members and all Oregonians.

Regards,

Elizabeth Edwards
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Kaiser Permanent Northwest