

DRAFT

SUMMARY

Requires Oregon Health Authority to transition from healthcare.gov to state-based marketplace by November 1, 2026.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to the health insurance exchange; creating new provisions; amend-
3 ing ORS 741.105 and 741.300; repealing ORS 741.107; and declaring an
4 emergency.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1. Section 2 of this 2023 Act is added to and made a part**
7 **of ORS 741.001 to 741.540.**

8 **SECTION 2. The Oregon Health Authority shall procure and ad-**
9 **minister an information technology platform or service, separate from**
10 **the federal platform, to provide electronic access to the health insur-**
11 **ance exchange in this state on and after November 1, 2026.**

12 **SECTION 3. ORS 741.105 is amended to read:**

13 741.105. (1) The Oregon Health Authority shall establish, by rule, an ad-
14 ministrative charge. The authority shall impose and collect the charge from
15 all insurers participating in the health insurance exchange or offering a
16 health plan certified by the authority and state programs participating in the
17 health insurance exchange. The Health Insurance Exchange Advisory Com-
18 mittee shall advise the authority in establishing the administrative charge.
19 The charge must be in an amount sufficient to cover the costs of grants to
20 navigators, in-person assisters and application counselors certified under

1 ORS 741.002 and to pay the administrative and operational expenses of the
2 authority in carrying out ORS 741.001 to 741.540. The charge shall be paid
3 in a manner and at intervals prescribed by the authority.

4 (2)(a) Each insurer's charge shall be based on the number of individuals,
5 excluding individuals enrolled in state programs, who are enrolled in health
6 plans:

7 (A) Offered by the insurer through the exchange; and

8 (B) Certified by the authority.

9 (b) The charge to each state program shall be based on the number of
10 individuals enrolled in state programs offered through the exchange.

11 (3) The charge imposed under this section may not exceed:

12 (a) Five percent of the premium or other monthly charge for each enrollee
13 if the number of enrollees receiving coverage through the exchange is at or
14 below 175,000;

15 (b) Four percent of the premium or other monthly charge for each
16 enrollee if the number of enrollees receiving coverage through the exchange
17 is above 175,000 and at or below 300,000; and

18 (c) Three percent of the premium or other monthly charge for each
19 enrollee if the number of enrollees receiving coverage through the exchange
20 is above 300,000.

21 (4)[(a)] If charges collected under subsection (1) of this section exceed the
22 amounts needed for the administrative and operational expenses of the au-
23 thority in administering the health insurance exchange, the excess moneys
24 collected may be held and used by the authority to [*offset future net*
25 *losses.*]:

26 (a) **Establish or administer the state information technology plat-**
27 **form or service that provides electronic access to the health insurance**
28 **exchange;**

29 (b) **Subsidize a state premium assistance program; or**

30 (c) **Implement other measures to further advance the intent of the**
31 **Legislative Assembly described in ORS 741.001.**

1 *[(b) The maximum amount of excess moneys that may be held under this*
2 *subsection is the total costs and expenses described in subsection (1) of this*
3 *section anticipated by the authority for a six-month period. Any moneys re-*
4 *ceived that exceed the maximum shall be applied by the authority to reduce the*
5 *charges imposed by this section.]*

6 (5) Charges shall be based on annual statements and other reports sub-
7 mitted by insurers and state programs as prescribed by the authority.

8 (6) In addition to charges imposed under subsection (1) of this section, to
9 the extent permitted by federal law the authority may impose a fee on
10 insurers and state programs participating in the exchange to cover the cost
11 of commissions of insurance producers that are certified by the authority
12 *[or by the United States Department of Health and Human Services]* to facil-
13 itate the participation of individuals and employers in the exchange.

14 (7)(a) The authority shall establish and amend the charges and fees under
15 this section in accordance with ORS 183.310 to 183.410.

16 (b) If the authority intends to increase an administrative charge or fee,
17 the notice of intended action required by ORS 183.335 shall be sent, if the
18 Legislative Assembly is not in session, to the interim committees of the
19 Legislative Assembly related to health, to the Joint Interim Committee on
20 Ways and Means and to each member of the Legislative Assembly. The Di-
21 rector of the Oregon Health Authority shall appear at the next meetings of
22 the interim committees of the Legislative Assembly related to health and the
23 next meetings of the Joint Interim Committee on Ways and Means that occur
24 after the notice of intended action is sent and fully explain the basis and
25 rationale for the proposed increase in the administrative charges or fees.

26 (c) If the Legislative Assembly is in session, the authority shall give the
27 notice of intended action to the committees of the Legislative Assembly re-
28 lated to health and to the Joint Committee on Ways and Means and shall
29 appear before the committees to fully explain the basis and rationale for the
30 proposed increase in administrative charges or fees.

31 (8) All charges and fees collected under this section shall be deposited in

1 the Health Insurance Exchange Fund.

2 **SECTION 4.** ORS 741.300 is amended to read:

3 741.300. As used in ORS 741.001 to 741.540:

4 (1) “Coordinated care organization” has the meaning given that term in
5 ORS 414.025.

6 (2) “Essential health benefits” has the meaning given that term in ORS
7 731.097.

8 (3) “Health benefit plan” has the meaning given that term in ORS
9 743B.005.

10 (4) “Health care service contractor” has the meaning given that term in
11 ORS 750.005.

12 (5) “Health insurance” has the meaning given that term in ORS 731.162,
13 excluding disability income insurance.

14 (6) “Health insurance exchange” or “exchange” means [*the division of the*
15 *Oregon Health Authority that operates*] an American Health Benefit Exchange
16 as described in 42 U.S.C. 18031, 18032, 18033 and 18041.

17 (7) “Health plan” means a health benefit plan or dental only benefit plan
18 offered by an insurer.

19 (8) “Insurer” means an insurer as defined in ORS 731.106 that offers
20 health insurance, a health care service contractor, a prepaid managed care
21 health services organization or a coordinated care organization.

22 (9) “Insurance producer” has the meaning given that term in ORS 731.104.

23 (10) “Prepaid managed care health services organization” has the meaning
24 given that term in ORS 414.025.

25 (11) “State program” means a program providing medical assistance, as
26 defined in ORS 414.025, and any self-insured health benefit plan or health
27 plan offered to employees by the Public Employees’ Benefit Board or the
28 Oregon Educators Benefit Board.

29 (12) “Qualified health plan” means a health benefit plan certified by the
30 authority in accordance with the requirements, standards and criteria
31 adopted by the authority under ORS 741.310.

1 (13) “Small Business Health Options Program” or “SHOP” means a health
2 insurance exchange for small employers as described in 42 U.S.C. 18031.

3 **SECTION 5.** Section 2 of this 2023 Act is amended to read:

4 **Sec. 2.** The Oregon Health Authority shall procure and administer an
5 information technology platform or service, separate from the federal plat-
6 form, to provide electronic access to the health insurance exchange in this
7 state [*on and after November 1, 2026*].

8 **SECTION 6.** ORS 741.107 is repealed.

9 **SECTION 7.** (1) The amendments to section 2 of this 2023 Act by
10 section 5 of this 2023 Act and the amendments to ORS 741.105 and
11 741.300 by sections 3 and 4 of this 2023 Act become operative on No-
12 vember 1, 2026.

13 (2) The Oregon Health Authority shall take all steps prior to the
14 operative date specified in subsection (1) of this section that are nec-
15 essary to carry out the amendments to section 2 of this 2023 Act by
16 section 5 of this 2023 Act and the amendments to ORS 741.105 and
17 741.300 by sections 3 and 4 of this 2023 Act on the operative date spec-
18 ified in subsection (1) of this section.

19 **SECTION 8.** This 2023 Act being necessary for the immediate pres-
20 ervation of the public peace, health and safety, an emergency is de-
21 clared to exist, and this 2023 Act takes effect on its passage.

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