HB 3157 A STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

Action Date:	04/03/23
Action:	Do pass with amendments and be referred to Ways and Means by prior reference. (Printed A-Eng.)
Vote:	9-1-1-0
Yeas:	9 - Bowman, Conrad, Dexter, Goodwin, Javadi, Morgan, Nelson, Nosse, Pham H
Nays:	1 - Diehl
Exc:	1 - Tran
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Brian Nieubuurt, LPRO Analyst
Meeting Dates:	3/6, 4/3

WHAT THE MEASURE DOES:

Establishes Health Insurance Mandate Review Advisory Committee (HIMRAC) to develop a process for reviewing and producing a report on all proposed legislative measures and amendments to measures proposing mandated health insurance coverage. Requires Legislative Policy and Research Office (LPRO) Director to collaborate with Department of Consumer and Business Services (DCBS) to collect and compile data needed to analyze social and financial effects of proposed coverage mandate. Requires HIMRAC to produce report by January 15 for measures proposed during an interim and no later than two weeks from receipt for measure or amendment proposed during session. Permits committee chair or vice chair to request convening of HIMRAC. Specifies HIMRAC membership and duties of HIMRAC. Allows HIMRAC reports to be used in lieu of a fiscal impact statement. Specifies information required to be included in HIMRAC reports. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- 1984 Task Force on Health Care Cost Containment and House Bill 2031 (1985)
- Fiscal impacts of legislative measures not captured in fiscal impact statements
- Cumulative impacts of recent health insurance legislation
- Similar mandate review efforts in California and Massachusetts
- Differences from Workers' Compensation Management-Labor Advisory Committee (MLAC)
- Importance of equity lens in mandate review

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

As with other forms of insurance, people obtain health insurance to protect themselves against significant future potential costs. Health insurance can be provided by governments (e.g., Medicare and Medicaid) or the private sector (e.g., employer-sponsored and individual market coverage). While the 1945 McCarran-Ferguson Act established states as the primary regulators of the business of insurance, overlapping federal laws like the Employee Retirement Income Security Act of 1974 (ERISA; P.L. 93-406), the Health Insurance Portability and Accountability Act of 1996 (HIPAA; P.L. 104-191), and the Patient Protection and Affordable Care Act (ACA; P.L. 111-148, as amended) complicate the regulation of health insurance. For example, ERISA outlines federal minimum standards for employer-sponsored health insurance that is self-funded and preempts state regulation of those plans, thereby largely limiting state regulation of private sector health insurance to the small group and individual markets.

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State regulation of health insurance can take many forms, including mandates related to persons covered (e.g., coverage of dependents or certain conditions), provider types, and services. With insurance working by spreading risk across a coverage group, the introduction of new state mandates on health insurance has implications for the cost of that coverage. Since 1985, Oregon law has required that every proposed piece of legislation mandating health insurance coverage be accompanied by a report assessing both the social and financial effects of the coverage, including the efficacy of the treatment or service proposed (ORS 171.870 - 171.880).

House Bill 3157 A establishes the Health Insurance Mandate Review Advisory Committee to develop a process to review and provide a report on proposed legislative measures mandating health insurance coverage.