

Requested by SENATE COMMITTEE ON HEALTH CARE

**PROPOSED AMENDMENTS TO
SENATE BILL 704**

1 On page 1 of the printed bill, delete lines 4 through 30 and delete pages
2 2 and 3 and insert:

3 **“SECTION 1. (1) The Universal Health Plan Governance Board is**
4 **established in the Department of Consumer and Business Services,**
5 **consisting of nine members appointed by the Governor who must:**

6 **“(a) Support the objective of the board described in section 2 (2) of**
7 **this 2023 Act;**

8 **“(b) Support the values and principles expressed in section 2 (3)(a)**
9 **and (b) of this 2023 Act; and**

10 **“(c) Represent a variety of health care professionals and community**
11 **perspectives, including individuals with experience:**

12 **“(A) As enrollees in the state medical assistance program or Medi-**
13 **care; and**

14 **“(B) Being without health insurance coverage.**

15 **“(2) Of the membership of the board:**

16 **“(a) Five members must have expertise in health care delivery,**
17 **health care finance, health care operations or public administration;**
18 **and**

19 **“(b) Four members must be focused on public engagement.**

20 **“(3) The term of office of each member of the board is four years,**
21 **but a member serves at the pleasure of the Governor. Before the ex-**

1 **piration of the term of a member, the Governor shall appoint a suc-**
2 **cessor whose term begins on January 2 next following. A member is**
3 **eligible for reappointment. If there is a vacancy for any cause, the**
4 **Governor shall make an appointment to become immediately effective**
5 **for the unexpired term.**

6 **“(4) The appointment of each member of the board is subject to**
7 **confirmation by the Senate in the manner prescribed in ORS 171.562**
8 **and 171.565.**

9 **“(5) A member of the board is entitled to compensation and re-**
10 **imbursement of actual and necessary travel and other expenses in-**
11 **curred by the member in the performance of the member’s official**
12 **duties in accordance with ORS 292.495.**

13 **“(6) The board shall select one of its members as chairperson and**
14 **another as vice chairperson, for terms and with duties and powers**
15 **necessary for the performance of the functions of the offices as the**
16 **board determines.**

17 **“(7) A majority of the members of the board constitutes a quorum**
18 **for the transaction of business.**

19 **“(8) The board shall meet at a time and place determined by the**
20 **board. The board also may meet at other times and places specified**
21 **by the call of the chairperson or of a majority of the members of the**
22 **board.**

23 **“(9) In accordance with applicable provisions of ORS chapter 183,**
24 **the board may adopt rules necessary for the administration of the laws**
25 **that the board is charged with administering.**

26 **“(10)(a) The board may establish any advisory or technical com-**
27 **mittees the board considers necessary to aid and advise the board in**
28 **the performance of its functions. The committees may be continuing**
29 **or temporary committees. The board shall determine the represen-**
30 **tation, membership, terms and organization of the committees and**

1 shall appoint the members of the committees.

2 “(b) Members of the committees are not entitled to compensation
3 but, in the discretion of the board, may be reimbursed from funds
4 available to the board for actual and necessary travel and other ex-
5 penses incurred by the members in the performance of official duties
6 in the manner and amount provided in ORS 292.495.

7 “(11)(a) The board shall appoint an executive director to serve at
8 the pleasure of the board, to be responsible for the administrative op-
9 erations of the board and to perform such other duties as may be
10 designated or assigned to the executive director from time to time by
11 the board. The board shall fix the compensation of the executive di-
12 rector in accordance with ORS chapter 240.

13 “(b) Subject to any applicable provisions of ORS chapter 240, the
14 executive director shall appoint staff as needed for policy analysis and
15 administrative support.

16 “(c) The executive director shall contract with experts and con-
17 sultants as necessary to carry out section 2 (3) of this 2023 Act.

18 “SECTION 2. (1) As used in this section, ‘single payer health care
19 financing system’ means a universal system used by the state to pay
20 the cost of health care services and goods in which:

21 “(a) Institutional providers are paid directly for health care services
22 or goods by the state or paid by an administrator that does not bear
23 risk in contracting with the state;

24 “(b) Institutional providers are paid with global budgets that sepa-
25 rate capital budgets, established through regional planning, and oper-
26 ational budgets;

27 “(c) Group practices are paid directly for health care services or
28 goods by the state, by an administrator that does not bear risk in
29 contracting with the state, by the employer of the group practice or
30 by an institutional provider; and

1 “(d) Individual health care providers are paid directly for health
2 care services or goods by the state, by their employers, by an admin-
3 istrator that does not bear risk in contracting with the state, by an
4 institutional provider or by a group practice.

5 “(2) The Universal Health Plan Governance Board established in
6 section 1 of this 2023 Act shall create a comprehensive plan to finance
7 and administer a Universal Health Plan that is responsive to the needs
8 and expectations of the residents of this state by:

9 “(a) Improving the health status of individuals, families and com-
10 munities;

11 “(b) Defending against threats to the health of the residents of this
12 state;

13 “(c) Protecting individuals from the financial consequences of ill
14 health;

15 “(d) Providing equitable access to person-centered care;

16 “(e) Removing cost as a barrier to accessing health care;

17 “(f) Removing any financial incentive for a health care practitioner
18 to provide care to one patient rather than another;

19 “(g) Making it possible for individuals to participate in decisions
20 affecting their health and the health system;

21 “(h) Establishing measurable health care goals and guidelines that
22 align with other state and federal health standards;

23 “(i) Promoting continuous quality improvement and fostering
24 interorganizational collaboration; and

25 “(j) Focusing on coverage of evidence-based health care and ser-
26 vices.

27 “(3) In developing the plan and the recommendations to the Legis-
28 lative Assembly under subsection (4) of this section, the board shall:

29 “(a) Consider, at a minimum, the following values:

30 “(A) Health care, as a fundamental element of a just society, must

1 be secured for all individuals on an equitable basis by public means,
2 similar to public education, public safety and public infrastructure;

3 “(B) Race, color, national origin, age, disability, wealth, income,
4 citizenship status, primary language, genetic conditions, previous or
5 existing medical conditions, religion or sex, including sex stereotyping,
6 gender identity, sexual orientation and pregnancy and pregnancy-
7 related medical conditions including the termination of pregnancy,
8 may not create barriers to health care nor result in disparities in
9 health outcomes due to the lack of access to care;

10 “(C) The components of the Universal Health Plan must be ac-
11 countable and fully transparent to the public regarding information,
12 decision-making and management through meaningful public partic-
13 ipation; and

14 “(D) Funding for the Universal Health Plan is a public trust and
15 any savings or excess revenue must be returned to the public trust;

16 “(b) Consider, at a minimum, the following principles:

17 “(A) A participant in the Universal Health Plan may choose any
18 individual provider who is licensed, certified or registered in this state
19 or may choose any group practice;

20 “(B) The plan may not discriminate against any individual health
21 care provider who is licensed, certified or registered in this state to
22 provide services covered by the plan and who is acting within the
23 provider’s scope of practice;

24 “(C) A participant in the plan and the participant’s health care
25 provider shall determine, within the scope of services covered within
26 each category of care and within the plan’s parameters for standards
27 of care and requirements for prior authorization, whether a service
28 or good is medically necessary or medically appropriate for the par-
29 ticipant; and

30 “(D) The plan shall cover health care services and goods from birth

1 to death, based on evidence-informed decisions as determined by the
2 board;

3 “(c) Assess the readiness of key health care and public institutions
4 to carry out the plan and collaborate with state agencies, including the
5 Oregon Health Authority and the Department of Human Services, to
6 determine how the agencies’ existing systems will integrate with the
7 Universal Health Plan;

8 “(d) Consider the recommendations of the Joint Task Force on
9 Universal Health Care in the report approved by the task force on
10 September 29, 2022, including the recommendations to establish a sin-
11 gle payer health care financing system that are consistent with sub-
12 section (1) of this section;

13 “(e) Identify statutory authorities and information technology
14 infrastructure needed for overall plan operations;

15 “(f) Evaluate how to work with the nine federally recognized Indian
16 tribes in Oregon and existing boards, commissions and councils con-
17 cerned with health care and health insurance;

18 “(g) Work collaboratively with partners across the complexities of
19 the health care system, including hospitals, health care providers,
20 insurers and coordinated care organizations, to build a sustainable
21 health care financing system that delivers care equitably;

22 “(h) Engage with regional organizations to identify strategies to
23 reduce the complexities and administrative burdens on participants in
24 the health care workforce and to otherwise address workforce chal-
25 lenges;

26 “(i) Study and address the impacts of the Universal Health Plan
27 with respect to specific types of employers;

28 “(j) Design the administrative and financing structure for the Uni-
29 versal Health Plan;

30 “(k) Engage with the Governor’s office, the Oregon Health Au-

1 **thority and federal authorities to ascertain and describe, if not yet in**
2 **federal or state law, necessary federal waivers or other options to se-**
3 **cure federal and state funding and to implement the Universal Health**
4 **Plan;**

5 **“(L) Include a plan to create a Universal Health Plan Trust Fund**
6 **in the State Treasury, separate and distinct from the General Fund,**
7 **consisting of moneys from all sources, public and private, that are**
8 **allocated to or deposited to the Universal Health Plan Trust Fund for**
9 **the purpose of financing the planning for and the administration and**
10 **operation of the Universal Health Plan by the Universal Health Plan**
11 **Governance Board, with any moneys in the Universal Health Plan**
12 **Trust Fund at the end of the biennium being retained in the Universal**
13 **Health Plan Trust Fund;**

14 **“(m) Include a plan to create an independent public corporation**
15 **that shall exercise and carry out all powers, rights and privileges that**
16 **are:**

17 **“(A) Expressly conferred upon the board;**

18 **“(B) Incident to such powers, rights and privileges; or**

19 **“(C) Implied by law; and**

20 **“(n) Ensure that the proposed plan will include all Oregon residents**
21 **equitably.**

22 **“(4) No later than September 15, 2026, the Universal Health Plan**
23 **Governance Board shall present to the interim committees of the**
24 **Legislative Assembly related to health, in the manner provided in ORS**
25 **192.245, and to the Governor, a comprehensive plan for the implemen-**
26 **tation of the Universal Health Plan.**

27 **SECTION 3. (1) The Universal Health Plan Governance Board shall**
28 **provide a status report no later than December 1 of each year, begin-**
29 **ning in 2024, to the interim committees of the Legislative Assembly**
30 **related to health, on the progress in the development of the compre-**

1 **hensive plan and any needed legislative changes.**

2 **(2) The report need not be in compliance with ORS 192.245.**

3 **SECTION 4. (1) Notwithstanding the term of office specified by**
4 **section 1 of this 2023 Act, of the members first appointed to the Uni-**
5 **versal Health Plan Governance Board:**

6 **(a) Two shall serve for terms ending January 2, 2025.**

7 **(b) Two shall serve for terms ending January 2, 2026.**

8 **(c) Two shall serve for terms ending January 2, 2027.**

9 **(d) Three shall serve for terms ending January 2, 2028.**

10 **(2) Notwithstanding section 1 (11) of this 2023 Act, the Governor**
11 **shall appoint an executive director of the board and fix the compen-**
12 **sation of the executive director in accordance with ORS chapter 240**
13 **without undue delay after the effective date of this 2023 Act who shall**
14 **serve at the pleasure of the Governor until the full board has been**
15 **appointed by the Governor and confirmed by the Senate.**

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

17 **Sec. 2.** (1) As used in this section, ‘single payer health care financing
18 system’ means a universal system used by the state to pay the cost of health
19 care services and goods in which:

20 “(a) Institutional providers are paid directly for health care services or
21 goods by the state or paid by an administrator that does not bear risk in
22 contracting with the state;

23 “(b) Institutional providers are paid with global budgets that separate
24 capital budgets, established through regional planning, and operational
25 budgets;

26 “(c) Group practices are paid directly for health care services or goods
27 by the state, by an administrator that does not bear risk in contracting with
28 the state, by the employer of the group practice or by an institutional pro-
29 vider; and

30 “(d) Individual health care providers are paid directly for health care

1 services or goods by the state, by their employers, by an administrator that
2 does not bear risk in contracting with the state, by an institutional provider
3 or by a group practice.

4 “(2) The Universal Health Plan Governance Board established in section
5 1 of this 2023 Act shall create a comprehensive plan to finance and admin-
6 ister a Universal Health Plan that is responsive to the needs and expecta-
7 tions of the residents of this state by:

8 “(a) Improving the health status of individuals, families and communities;

9 “(b) Defending against threats to the health of the residents of this state;

10 “(c) Protecting individuals from the financial consequences of ill health;

11 “(d) Providing equitable access to person-centered care;

12 “(e) Removing cost as a barrier to accessing health care;

13 “(f) Removing any financial incentive for a health care practitioner to
14 provide care to one patient rather than another;

15 “(g) Making it possible for individuals to participate in decisions affecting
16 their health and the health system;

17 “(h) Establishing measurable health care goals and guidelines that align
18 with other state and federal health standards;

19 “(i) Promoting continuous quality improvement and fostering interorgan-
20 izational collaboration; and

21 “(j) Focusing on coverage of evidence-based health care and services.

22 “(3) In developing the plan [*and the recommendations to the Legislative*
23 *Assembly under subsection (4) of this section*], the board shall:

24 “(a) Consider, at a minimum, the following values:

25 “(A) Health care, as a fundamental element of a just society, must be se-
26 cured for all individuals on an equitable basis by public means, similar to
27 public education, public safety and public infrastructure;

28 “(B) Race, color, national origin, age, disability, wealth, income, citizen-
29 ship status, primary language, genetic conditions, previous or existing med-
30 ical conditions, religion or sex, including sex stereotyping, gender identity,

1 sexual orientation and pregnancy and pregnancy-related medical conditions
2 including the termination of pregnancy, may not create barriers to health
3 care nor result in disparities in health outcomes due to the lack of access
4 to care;

5 “(C) The components of the Universal Health Plan must be accountable
6 and fully transparent to the public regarding information, decision-making
7 and management through meaningful public participation; and

8 “(D) Funding for the Universal Health Plan is a public trust and any
9 savings or excess revenue must be returned to the public trust;

10 “(b) Consider, at a minimum, the following principles:

11 “(A) A participant in the Universal Health Plan may choose any individ-
12 ual provider who is licensed, certified or registered in this state or may
13 choose any group practice;

14 “(B) The plan may not discriminate against any individual health care
15 provider who is licensed, certified or registered in this state to provide ser-
16 vices covered by the plan and who is acting within the provider’s scope of
17 practice;

18 “(C) A participant in the plan and the participant’s health care provider
19 shall determine, within the scope of services covered within each category
20 of care and within the plan’s parameters for standards of care and require-
21 ments for prior authorization, whether a service or good is medically neces-
22 sary or medically appropriate for the participant; and

23 “(D) The plan shall cover health care services and goods from birth to
24 death, based on evidence-informed decisions as determined by the board;

25 “(c) Assess the readiness of key health care and public institutions to
26 carry out the plan and collaborate with state agencies, including the Oregon
27 Health Authority and the Department of Human Services, to determine how
28 the agencies’ existing systems will integrate with the Universal Health Plan;

29 “[*d*] Consider the recommendations of the Joint Task Force on Universal
30 Health Care in the report approved by the task force on September 29, 2022,

1 *including the recommendations to establish a single payer health care financ-*
2 *ing system that are consistent with subsection (1) of this section;]*

3 “[*(e)*] **(d)** Identify statutory authorities and information technology
4 infrastructure needed for overall plan operations;

5 “[*(f)*] **(e)** Evaluate how to work with the nine federally recognized Indian
6 tribes in Oregon and existing boards, commissions and councils concerned
7 with health care and health insurance;

8 “[*(g)*] **(f)** Work collaboratively with partners across the complexities of
9 the health care system, including hospitals, health care providers, insurers
10 and coordinated care organizations, to build a sustainable health care fi-
11 nancing system that delivers care equitably;

12 “[*(h)*] **(g)** Engage with regional organizations to identify strategies to re-
13 duce the complexities and administrative burdens on participants in the
14 health care workforce and to otherwise address workforce challenges;

15 “[*(i)*] **(h)** Study and address the impacts of the Universal Health Plan with
16 respect to specific types of employers;

17 “[*(j)*] **(i)** Design the administrative and financing structure for the Uni-
18 versal Health Plan;

19 “[*(k)*] **(j)** Engage with the Governor’s office, the Oregon Health Authority
20 and federal authorities to ascertain and describe, if not yet in federal or
21 state law, necessary federal waivers or other options to secure federal and
22 state funding and to implement the Universal Health Plan;

23 “[*(L)*] **(k)** Include a plan to create a Universal Health Plan Trust Fund
24 in the State Treasury, separate and distinct from the General Fund, consist-
25 ing of moneys from all sources, public and private, that are allocated to or
26 deposited to the Universal Health Plan Trust Fund for the purpose of fi-
27 nancing the planning for and the administration and operation of the Uni-
28 versal Health Plan by the Universal Health Plan Governance Board, with
29 any moneys in the Universal Health Plan Trust Fund at the end of the
30 biennium being retained in the Universal Health Plan Trust Fund;

1 “[(m)] (L) Include a plan to create an independent public corporation that
2 shall exercise and carry out all powers, rights and privileges that are:

3 “(A) Expressly conferred upon the board;

4 “(B) Incident to such powers, rights and privileges; or

5 “(C) Implied by law; and

6 “[(n)] (m) Ensure that the proposed plan will include all Oregon residents
7 equitably.

8 “[(4) *No later than September 15, 2026, the Universal Health Plan*
9 *Governance Board shall present to the interim committees of the Legislative*
10 *Assembly related to health, in the manner provided in ORS 192.245, and to the*
11 *Governor, a comprehensive plan for the implementation of the Universal Health*
12 *Plan.*]

13 “**SECTION 6. The amendments to section 2 of this 2023 Act by sec-**
14 **tion 5 of this 2023 Act become operative on January 2, 2028.**

15 “**SECTION 7. Section 4 of this 2023 Act is repealed on January 2,**
16 **2028.**

17 “**SECTION 8. This 2023 Act being necessary for the immediate**
18 **preservation of the public peace, health and safety, an emergency is**
19 **declared to exist, and this 2023 Act takes effect on its passage.”.**

20
