

House Bill 3260

Sponsored by Representatives DEMBROW, WILLIAMSON; Senators MONNES ANDERSON, SHIELDS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires Oregon Health Authority to conduct study or contract with third party to study and recommend best option for financing health care in state. Specifies criteria for evaluating options.

Requires report to interim health care committees and to 2015 regular session of Legislative Assembly.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to health care; and declaring an emergency.

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

SECTION 1. (1) The Legislative Assembly finds that the best system for the delivery and financing of health care in this state will be the system that:

- (a) Provides universal access to comprehensive care at the appropriate time.
- (b) Ensures transparency and accountability.
- (c) Enhances primary care.
- (d) Allows the choice of primary care provider.
- (e) Respects the primacy of the patient-provider relationship.
- (f) Provides for continuous improvement of health care quality and safety.
- (g) Reduces administrative costs.
- (h) Has financing that is sufficient, fair and sustainable.
- (i) Ensures adequate compensation of primary care providers.
- (j) Incorporates community-based systems.
- (k) Includes cost controls.
- (L) Provides universal access to care even if the consumer is outside of Oregon.
- (m) Provides seamless birth-to-death access to care.
- (n) Minimizes medical errors.
- (o) Focuses on preventative health care.
- (p) Integrates physical, dental, vision and mental health care.
- (q) Integrates long term care.

(2) The Oregon Health Authority shall conduct a study or shall contract with a third party to conduct a study overseen by the authority to examine at least four options for financing health care delivery in this state, including:

- (a) An option for a government-administered and publicly financed single-payer model of health care financing that is decoupled from employment, prohibits commercial insurance coverage of health services provided under the option and allows commercial insurance coverage only of supplemental health services not provided under the option.
- (b) An option that allows a consumer to choose between a publicly funded plan and pri-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 vate insurance coverage and allows for fair and robust competition among public plans and
2 private insurance.

3 (c) The current health care financing system in this state, including the:

4 (A) Oregon Integrated and Coordinated Health Care Delivery System;

5 (B) Oregon health insurance exchange; and

6 (C) Full implementation of the Patient Protection and Affordable Care Act (P.L. 111-148),
7 as amended by the Health Care and Education Reconciliation Act (P.L. 111-152) and other
8 subsequent amendments.

9 (d) One or more additional options designed by the researchers conducting the study,
10 taking into consideration the goals for health care delivery and financing expressed in sub-
11 section (1) of this section.

12 (3) The researchers shall review and consider:

13 (a) Previous studies in this state of alternative models of health care financing or deliv-
14 ery.

15 (b) Studies of health care financing and delivery systems in other states and countries.

16 (c) This state's current health care reform efforts.

17 (d) The impact on and interplay with each option of all of the following:

18 (A) The Patient Protection and Affordable Care Act (P.L. 111-148), as amended by the
19 Health Care and Education Reconciliation Act (P.L. 111-152) and other subsequent amend-
20 ments;

21 (B) The Employee Retirement Income Security Act of 1974; and

22 (C) Titles XVIII, XIX and XXI of the Social Security Act.

23 (4) The authority or the contractor shall prepare a report that summarizes the findings
24 of the study and:

25 (a) Analyzes the costs and benefits of requiring copayments and of not requiring
26 copayments.

27 (b) Describes options for health care financing by a government agency, by commercial
28 insurance and by a combination of both government and commercial insurance.

29 (c) For each option:

30 (A) Evaluates the extent to which the option satisfies the criteria described in subsection
31 (1) of this section;

32 (B) Estimates the cost of implementation, including anticipated costs from increased
33 services, more patients, new facilities and savings from efficiencies;

34 (C) Assesses the impact of implementation on the existing commercial insurance and
35 publicly funded health care systems;

36 (D) Estimates the net fiscal impact of implementation on individuals and businesses in-
37 cluding the tax implications; and

38 (E) Assesses the impact of implementation on the economy of this state.

39 (5) The report must include a recommendation for the option for health care delivery and
40 financing that best satisfies the criteria described in subsection (1) of this section and that:

41 (a) Maximizes available federal funding;

42 (b) Includes at least two separate packages of covered services;

43 (c) Includes the opportunity for a consumer to obtain supplemental insurance coverage
44 for long term care, dental care, hearing care and vision care, with or without copayments;
45 and

1 (d) Ensures that health care providers receive adequate compensation for providing
2 health care and that the compensation will not be reduced below current levels.

3 **SECTION 2.** (1) The Oregon Health Authority shall solicit gifts, grants and other funds
4 from public and private sources for the purpose of carrying out the study described in sec-
5 tion 1 of this 2013 Act.

6 (2) All moneys received by the authority under this section shall be paid into the State
7 Treasury and deposited to the credit of the Oregon Health Authority Fund established in
8 ORS 413.101. Such moneys shall be used by the authority solely for the purposes of section
9 1 of this 2013 Act.

10 **SECTION 3.** (1) The Oregon Health Authority shall report on the progress of the study
11 described in section 1 of this 2013 Act to the 2014 regular session of the Legislative Assembly.

12 (2) No later than November 1, 2014, the authority shall submit the report described in
13 section 1 of this 2013 Act to the interim committees on health care in the House of Repre-
14 sentatives and the Senate.

15 (3) The authority shall submit the report to the 2015 regular session of the Legislative
16 Assembly in the manner prescribed by ORS 192.245.

17 **SECTION 4.** This 2013 Act being necessary for the immediate preservation of the public
18 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
19 on its passage.
20
