

LEGISLATIVE CONTACT INFORMATION REGARDING 2017 BILLS

9/13/2016 version

Task Force on single-payer policy

Status:

This bill is in the process of being written for submission to legislative counsel. It is being prepared by the legislative committee, and has not yet been considered by the HCAO board. Preliminary copies of the concept are available.

Explanation:

HCAO is developing proposed legislation that would create a task force to *“Develop broad structure and policy recommendations for the Oregon Legislature to consider as a framework for implementing a single payer health care financing system, using information from the RAND report”*. This bill should be ready for the 2017 legislative session.

This is an important follow up to the study proposed by HB 3260 in the 2013 session and funded by HB 2828 in 2015. In June of 2016, the Oregon Health Authority chose the RAND corporation to do the study. There was some concern about RAND’s ability to deliver the results by November, as specified in the legislation, but at a recent meeting with the Project Manager, assurance was given that the schedule would be met. Preliminary findings are expected by the end of September.

RAND is mainly studying financing, so it is not clear how much it will say about how to implement a system in Oregon. We should be able to clarify important unanswered questions that need to be addressed by the task force when we see the results of the RAND study.

Status:

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Message:

We expect the task force bill is critical. It is the next major step in moving towards a single payer health care system for Oregon, and a task force should mean that the state will bring in policy experts to answer important questions. Sponsors will be needed as this bill moves forward. You will be alerted as to who these sponsors might be.

SB 631 revised (currently LC 1029)

Status:

With input from HCAO's legislative committee, an initial revision of SB 631 has been prepared by legislative counsel and will be pre-session filed as LC 1029. We hope to get further changes in the bill before the session begins.

SB 631 was initiated by HCAO and sponsored in the 2015 Regular Session by Senators Dembrow, Shields, Monroe, Prozanski, Riley and Representatives Smith Warner, Williamson, Barker, Barnhart, Buckley, Doherty, Frederick, Gallegos, Gomberg, Grosek, Helm, Holvey, Hoyle, Keny-Guyer, Lininger, Lively, Nathanson, Nosse, Rayfield, Reardon, Vega, Pederson, Witt.

Explanation:

The primary substantive changes to SB 631 are clarifying the size of the board and clarifying the role of "Regional Planning Boards" regarding major capital improvements in medical facilities.

This bill describes how a single-payer health care system could be implanted for the state. It will function as a "place holder" until the RAND study results are available and processed by the proposed task force. While functioning as a "place holder" it will provide opportunities for visibility and discussion in the legislature.

Message:

This bill is intended to stimulate discussion in the legislature about the need for a single- payer system. There will be numerous sponsors but there is always room for more. We want to make sure you get a chance to read the revised SB 631 and participate in the discussions during the next legislative session. I will make sure you get a copy as soon as it is available.

OTHER LEGISLATION OF INTEREST TO HCAO

CORRECTING COORDINATED CARE ORGANIZATIONS DEFICIENCIES

Status:

This legislation was prepared by Rep. Greenlick and is endorsed by HCAO. Members of the HCAO Legislative Committee are working with Rep. Greenlick to refine this legislation and assist in its passage.

Explanation:

Rep. Greenlick developed a bill for the 2016 legislative session (HB 4100) that was withdrawn and will be introduced in the 2017 session by the Oregon Health Policy Board. This bill is intended to correct some problems with the coordinated care organizations (CCOs). It requires CCOs to be community-based nonprofit organizations, to have membership of governing boards reflective of local control, distribute at least 80% of payments to providers using

alternative payment methodologies, and an escrow fund in the State Treasury to hold coordinated care organizations restricted reserves.

Message:

CCOs are a major part (25%) of the existing health care system in Oregon and need to function effectively for those receiving coverage from that system. You may be aware of the excessive profit taking when Lane County's for-profit CCO was sold to an out of state for-profit corporation. This legislative effort needs support from all legislators in order to correct some important deficiencies. We would like their support/sponsorship.

COVER ALL KIDS

Status:

This is a bill developed by the Oregon Health Equity Alliance (OHEA), of which HCAO is a member. The proposal has been around for several legislative sessions, and it is ready to be taken seriously in the 2017 session. We don't yet have an LC number.

Explanation:

The bill would allow all children in Oregon to be eligible for government supported health coverage if family income justifies support – most importantly, it adds undocumented children to those eligible (roughly 18,000 children).

Message:

HCAO is a small part of the coalition pushing for passage of this important move towards universal coverage.

NONPROFIT HOSPITAL REQUIREMENTS

Status:

We think that SEIU is preparing legislation which HCAO will probably endorse, but we have not yet seen it and expect to offer some modifications.

Explanation:

HCAO has joined with others in expressing concerns about nonprofit hospitals in Oregon receiving substantial tax exempt benefits without providing commensurate charity care.

Message:

We think the legislature needs to address this issue. HCAO will support those legislators who are willing to develop such legislation.

DRUG PRICING BILL

Status:

Rep. Rob Nosse convened a task force to look at what the state can do for high cost drugs. Disease groups that have very high cost drugs have been leading the effort, with HCAO being part of the process. It is likely that there will be separate bills from both the task force and the disease groups. A legislative concept has not been yet proposed, but it is likely that two will be proposed by September 26 for pre-session filing.

Explanation:

For some chronic diseases, effective drugs that need to be used for the rest of one's life cost in the tens of thousands per year. The ACA limits out of pocket expenses to \$6,850 for those over 250% of poverty level (less for those with less income), but that is still a large amount to pay on top of premiums every single year for life. There are likely to be proposals to limit patient costs for drugs. None of these proposals at the state level can affect the system costs paid to pharmaceutical companies.

Message:

It is likely that HCAO will support either the work group proposal or the disease group proposal. This is primarily a stop gap measure to help some people with chronic diseases.