

DRAFT

SUMMARY

Requires Department of Consumer and Business Services in collaboration with Oregon Health Authority and stakeholder advisory group to create blueprint for Basic Health Program. Specifies requirements for program. Grants sole authority to department to submit waiver for state innovation under Patient Protection and Affordable Care Act. Requires department to report to legislative committees and Legislative Assembly on blueprint for Basic Health Program and recommendations for waiver for state innovation.

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) **As used in this section:**

(a) **“Affordable” means that an employee’s annual contribution toward premiums for employer-sponsored health insurance for self-only coverage or, if applicable, for family coverage, does not exceed 9.5 percent of the family’s household income, as determined under 26 C.F.R. 1.36B-1.**

(b) **“Basic Health Program” means a program certified by the United States Secretary of Health and Human Services under 42 U.S.C. 18051.**

(c) **“Blueprint” means the written document described in 42 C.F.R. 600.110.**

(d) **“Comprehensive” means health insurance that provides minimum essential coverage and minimum value.**

(e) **“Coordinated care organization” has the meaning given that**

1 term in ORS 414.025.

2 (f) “Health insurance exchange” has the meaning given that term
3 in ORS 741.300.

4 (g) “Minimum essential coverage” has the meaning given that term
5 in 26 U.S.C. 5000A(f) and any implementing regulations adopted by the
6 United States Department of the Treasury.

7 (h) “Minimum value” has the meaning given that term in 26 U.S.C.
8 36B(c)(2)(C)(ii) and any implementing regulations adopted by the
9 United States Department of the Treasury.

10 (i) “Standard health plan” means a qualified health plan, as that
11 term is defined in ORS 741.300, that offers the coverage described in
12 subsection (3)(c) of this section.

13 (2) Not later than December 31, 2016, the Department of Consumer
14 and Business Services, in collaboration with the Oregon Health Au-
15 thority and in consultation with the stakeholder advisory group cre-
16 ated in subsection (5) of this section, shall create and present to the
17 interim committees of the Legislative Assembly related to health a
18 blueprint for a Basic Health Program.

19 (3) The blueprint must include all of the following components:

20 (a) The Basic Health Program must serve residents of this state
21 who are less than 65 years of age, who do not have access to compre-
22 hensive and affordable employer-sponsored health insurance and who
23 are:

24 (A) United States citizens with incomes at or above 138 percent but
25 no greater than 200 percent of the federal poverty guidelines and who
26 do not qualify for the state medical assistance program or TRICARE;
27 or

28 (B) Lawfully present noncitizens who would qualify for the state
29 medical assistance program but for their immigration status or the
30 duration of their residency in the United States.

31 (b) Basic Health Program participants may choose to enroll in ei-

1 **ther a coordinated care organization or a standard health plan offered**
2 **through the health insurance exchange.**

3 **(c) The Basic Health Program must cover the same health benefits**
4 **that are covered in the state medical assistance program, except for**
5 **dental care for adults.**

6 **(d) There may be no deductibles, coinsurance, copayments or other**
7 **cost-sharing requirements imposed on Basic Health Program partic-**
8 **ipants.**

9 **(e) No premiums may be imposed on Basic Health Program partic-**
10 **ipants whose incomes are below 138 percent of the federal poverty**
11 **guidelines.**

12 **(f) Premiums may be imposed on Basic Health Program participants**
13 **whose incomes are at or above 138 percent of the federal poverty**
14 **guidelines based on a sliding scale that ensures that the premiums are**
15 **affordable.**

16 **(g) Basic Health Program participants shall enroll in a coordinated**
17 **care organization or standard health plan through the health insur-**
18 **ance exchange and shall remain continuously eligible for a period of**
19 **12 consecutive months as long as they reside in this state.**

20 **(h) Physical and mental health care providers shall be reimbursed**
21 **for the services provided to Basic Health Program participants at a**
22 **rate equal to the average of the rate paid by Medicare and the rate**
23 **paid by commercial insurers for the services.**

24 **(i) The cost of the Basic Health Program must be maintained at a**
25 **fixed rate of growth annually.**

26 **(4) The blueprint presented to the interim committees of the Leg-**
27 **islative Assembly must specify the administrative framework for**
28 **grievance procedures, for premium billing and for providing customer**
29 **service to Basic Health Program participants.**

30 **(5) The department and the authority shall convene a stakeholder**
31 **advisory group consisting of:**

(a) Advocates for low-income individuals and families;

(b) Advocates for consumers of health care;

(c) Representatives of health care provider groups; and

(d) Representatives of the insurance industry.

(6) When presenting the blueprint to the interim committees of the Legislative Assembly related to health, the department and the authority shall also report the additional cost predicted to be incurred by this state to cover dental care for adults in the Basic Health Program.

SECTION 2. (1) Subject to subsection (2) of this section, the Department of Consumer and Business Services shall have sole authority to request a waiver for state innovation under 42 U.S.C. 18052. In developing a request for a waiver, the department shall convene an advisory group to advise and assist the department in identifying federal provisions subject to waiver that are expected to improve the delivery of quality health care to residents of this state.

(2) The department may not submit a request for a waiver to the United States Secretary of Health and Human Services or Secretary of the Treasury until the department has presented the proposed waiver to the committees of the Legislative Assembly related to health and to the Legislative Assembly as specified in subsection (3) of this section.

(3) Not later than March 1, 2017, the department shall report to the Legislative Assembly, in the manner provided in ORS 192.245, its recommendations for submitting a waiver under 42 U.S.C. 18052 alone, or in combination with a request under 42 U.S.C. 1315 to operate a demonstration project in the medical assistance program.

SECTION 3. This 2016 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2016 Act takes effect on its passage.