



June 2010

Inside this Brief

- **Background**
- **House Bill 2009 (2009)**
- **Oregon Health Authority**
- **Oregon Health Policy Board**
- **Federal Health Reform in Oregon**
- **Staff and Agency Contacts**

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Background Brief on ...

Oregon Health Care Reform

Background

In 2007, Senate Bill 329 (Healthy Oregon Act) was enacted that established a seven-member citizen board, the Oregon Health Fund Board (**Board**). The Board was chartered with developing a comprehensive plan to ensure access to health care for Oregonians, contain health care costs, and address issues of quality in health care. The Board was supported in its efforts by hundreds of volunteers serving on six committees and two workgroups. In November 2008, the Board submitted a comprehensive action plan, "Aim High: Building a Healthy Oregon," to Governor Kulongoski and the Oregon Legislature, providing a blueprint for reforming Oregon's health care system.

http://www.oregon.gov/OHPPR/HFB/docs/Final_Report_12_2008.pdf

House Bill 2009 (2009)

In 2009, the Oregon Legislative Assembly passed House Bill 2009, the health care reform legislation based on the recommendations from the Oregon Health Fund Board. House Bill 2009 established the Oregon Health Authority (**OHA**) and the Oregon Health Policy Board (**OHPB**).

Oregon Health Authority

The OHA is responsible for streamlining and aligning state health purchasers and programs to maximize efficiency, organize state health policy and health services, and for implementing the health reform policies and programs created in statute. OHA will improve the lifelong health of all Oregonians; increase the quality, reliability and availability of care for all

Oregonians; and lower or contain the cost of care so it is affordable to everyone.

Duties, functions and powers of the following agencies were transferred to OHA: the Department of Human Services (**DHS**) with respect to health and health care; the Department of Administrative Services (**DAS**) with respect to the Public Employee's Benefit Board (**PEBB**) and the Oregon Educators Benefit Board (**OEBB**); the Department of Consumer and Business Services (**DCBS**) with respect to the Oregon Medical Insurance Pool Board and the operation of the Oregon Medical Insurance Pool; and the Office of Private Health Partnerships (**OPHP**) including the administration of the Family Health Insurance Assistance Program (**FHIAP**). OHA is responsible for most state health care services and for implementing the health care reforms, which includes:

- Developing a plan to provide every Oregonian with affordable, quality health care;
- Developing a statewide health improvement plan to improve population health, improve individuals' experience of care, and reduce per capita health care costs;
- Setting high standards — and measuring and reporting;
- Making sure Oregon has the health care workforce it needs;
- Stimulating system innovation and improvement;
- Ensuring health equity for all Oregonians;
- Advocating for federal changes; and
- Creating the Oregon Health Insurance Exchange, a one-stop shop to compare and purchase health insurance plans.

Oregon Health Policy Board

The Oregon Health Policy Board (**OHPB**) serves as the policy-making and oversight body for the Oregon Health Authority. This nine-member board is responsible for improving access, cost and quality of the health care delivery system as well as improving the health of Oregonians by developing state public health goals, strategies, programs and performance standards.

Additional information is available at www.Oregon.gov/OHA.

Federal Health Reform in Oregon

On March 23, 2010, President Obama signed into law comprehensive health reform legislation, the Patient Protection and Affordable Care Act (Public Law 111-148), which is designed (with its companion set of amendments in Public Law 111-152) to expand coverage, control health care costs, improve the health care delivery system and make major new investments in public health. The federal legislation should serve to augment Oregon's long history of health reform efforts and impacts the state in the following ways:

Population Health

- Makes significant investments in public health by providing funding opportunities to enhance and integrate prevention and health promotion in state and community health policy planning;
- Provides substantial increases in community health centers funding.

Delivery System Reform

- Increases funding for preventative care and allows experimentation with new models of payment and care delivery;
- Supports the development, coordination and training for a strong health care workforce;
- Strengthens the federal focus and state support of value and quality.

Coverage and Access

- Establishes a temporary high-risk pool, funded by the federal government, for people turned down for individual market coverage. In Oregon, the temporary pool will be operated by the Oregon Medical Insurance Pool (**OMIP**), the existing high-risk pool;
- Allows adult children to stay on parents' plan up to age 26.

Starting in 2014

- Expands coverage to low-income adults up to 133 percent of the poverty level to have

access to Medicaid with increased federal funding to support expansions;

- Creates state-based health Exchanges where individuals and small employers can buy insurance and receive federally-funded tax credits and cost-sharing reductions for individuals up to 400 percent of the poverty level;
- Establishes an individual mandate that requires insurance coverage for all citizens (with some exceptions);
- Adopts insurance reforms to remove barriers to coverage, such as eliminating the practice of denying people coverage due to pre-existing conditions, charging different premiums for people based on their health status and establishing annual or lifetime benefit limits.

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