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## Inside this Brief

- **Background**
- **Technology**
- **Small Businesses**
- **Transition to Federal Technology**
- **Comparison of 2014 and 2015 Oregon Exchange (Cover Oregon) Functions**
- **Staff and Agency Contacts**

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Background Brief on ...

# Cover Oregon

## Background

The 2010 Patient Protection and Affordable Care Act (PPACA) established health insurance exchanges which enabled individuals to purchase health insurance in state-run marketplaces. States had the option to build a full state-based marketplace, enter into a state-federal partnership marketplace, or default into a federally facilitated marketplace. Insurance coverage through the marketplace began in every state January 1, 2014, with enrollment beginning October 1, 2013.

In 2011, the Legislative Assembly passed Senate Bill 99, which established the Oregon Health Insurance Exchange Corporation (**Cover Oregon**), and Senate Bill 91, which specified the requirements of health insurance carriers offering coverage in the state. Senate Bill 99 defines the organization as a “public corporation performing governmental functions and exercising governmental powers.” Cover Oregon was intended to be the central marketplace where Oregonians could shop for health insurance plans and access the federal tax credits that assist qualified individuals with paying their premiums. Cover Oregon is governed by a nine-member board of directors, seven members are appointed by the Governor and confirmed by the Senate; the Insurance Commissioner and the Oregon Health Authority director are ex-officio members.

Oregon received federal grants to fund the many levels of infrastructure and start-up costs through 2014. An administrative fee is charged on the plans that will fund the Cover Oregon operations beginning 2015.

## Technology

Development of the website was inundated with many technological issues and was unable to process any enrollment applications on the October 1, 2013, deadline. Cover Oregon handled the enrollment through a “hybrid” process. Most applications were submitted online as PDF documents and eventually agents and community partners used the technology to determine eligibility.

## Small Businesses

The ACA includes provisions for small businesses (self-employed, employers with fewer than 25 employees, employers with up to 50 employees, or 50 or more employees) that will have the option to purchase insurance through the Small Business Health Options Program (**SHOP**). Small businesses with fewer than 25 (full-time) employees may be eligible for tax credits to assist in the cost of health insurance. Due to technology challenges, Cover Oregon did not launch the SHOP program online as originally envisioned. However, Oregon employers with fewer than 25 full-time employees may purchase a Cover Oregon-certified plan directly from a participating insurance company and take advantage of the Small Business Health Care Tax Credit for 2014 and 2015 if eligibility requirements are met. Eligible businesses can request to receive an Eligibility Notice from Cover Oregon confirming they are eligible to participate, and can apply for the tax credit.

## Transition to Federal Technology

In April 2014, the Board voted to use the federal technology to determine eligibility and to enroll individuals in plans for the 2015 enrollment period. Oregon will retain the plan management, consumer education, and outreach activities. The 2015 enrollment period is November 15, 2014 – February 15, 2015. Transitioning to the federal technology will: 1) allow Oregonians eligible for private plans and tax credits to choose, apply, and enroll in a plan online in one sitting at [healthcare.gov](http://healthcare.gov); and 2) Oregonians eligible for the Oregon Health Plan will also apply through [healthcare.gov](http://healthcare.gov) with certain exceptions. Updates on the status of the Transition Project are located at:

[http://resources.coveroregon.com/technology\\_transition.html](http://resources.coveroregon.com/technology_transition.html)

## Comparison of 2014 and 2015 Oregon Exchange (Cover Oregon) Functions

### Marketplace Functions

Functions	2014	2015
Eligibility & Enrollment	X	

Functions		
Plan Management, including: QHP Plan Review, Certification, Data Transfer	X	X+
Administration of Navigator/In Person Assistance Program	X	X
Consumer Education and Outreach	X	X
Tribal & Other Stakeholder Consultation	X	X
Agent Relations	X	*
Research & Evaluation	X	X
Call Center	X	*
Collection and Use of Administrative Fees	X	X
Small Employer Market	X	X

\*= Function shared with federal government and/or carriers

+ = Cover Oregon recommends plans; federal government makes final certification

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## Additional Resources

Enrollment Statistics  
<http://resources.coveroregon.com/Enrollment-update.html>

*Cover Oregon contributed to the development of this document.*

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