



SENATE MAJORITY OFFICE

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Health insurance exchange earns strong, bipartisan Senate support
SB 99 sets up major piece of health care reform; will expand access and lower costs for Oregonians and small businesses

SALEM –The Oregon Senate voted this morning in support of legislation that creates a health care marketplace that will provide 350,000 Oregonians with access to affordable, quality health care. Senate Bill 99 is the result of a broad workgroup of stakeholders who met to create a health care exchange as required by the federal Patient Protection and Affordable Care Act passed by Congress last year.

“Creating this exchange is a major step move forward for comprehensive health care reform. It addresses the dual crisis our nation faces of spiraling costs and limited access to quality care,” said Senator Alan Bates (D-Medford), who carried the bill on the floor and who is a practicing physician. “If Oregon does not develop its own health insurance exchange, the federal government will create one for us. This plan takes Oregon’s specific needs into account, with a consumer-driven mission and local control.”

The Oregon Health Insurance Exchange will work like a central marketplace for health insurance, allowing individuals and small businesses to shop for coverage based on quality, cost, and value. Currently, it is very difficult for most consumers to know what they are getting when looking at health insurance plans. Under Oregon’s exchange, set to be operational in 2014, consumers will have "apples-to-apples" comparisons of health plans for the first time.

Consumers will be able to access the plans through a web site or with the assistance of a "navigator," a community-based organization designed to help individuals find the best insurance option for their needs. The Exchange will also be the mechanism for qualified businesses and individuals to access federal tax credits available in 2014 to help make premiums more affordable.

“The Health Insurance Exchange will give Oregonians more health care options – a greater number of affordable plans, and more information about which one will best meet their needs,” said Senator Laurie Monnes Anderson (D-Gresham), chair of the Senate Health Care, Human Services, and Rural Health Policy Committee. “Participating insurance companies will be held to high standards so we will be able to make sure that Oregonians are getting the greatest value for their dollar.”

The Oregon Health Insurance Exchange will also be a valuable tool for small businesses across the state, making it easier for them to offer health care coverage. Employers will be able to provide a fixed amount of

dollars—a "defined contribution"—for their employees to buy insurance through the exchange. Employees will have access to a wide range of plans that meet standards for quality, value and transparency. They will also have more portability and options to maintain health care coverage when they change jobs—or even if they strike out on their own as entrepreneurs.

“Creating this Exchange is one of the most important things we can do this session to help everyday Oregonians and small business owners,” said Senate Majority Leader Diane Rosenbaum (D-Portland). “Oregon Senate Democrats have led the way on health care reform over several sessions and Senate Bill 99 is a major accomplishment in our work to lower costs and expand access. This Exchange will empower consumers and small business people to make more informed health care coverage decisions.”

A nine-member governing board, including at least two consumer representatives, will oversee the operations of the Exchange. Members will be appointed by the Governor and confirmed by the Senate. Consumer protections provisions are built into the Exchange to ensure that it is accountable to Oregonians.

Per the federal Patient Protection and Affordable Care Act passed last year in Congress, if Oregon does not develop its own health insurance exchange, the federal government will impose a national, one-size-fits-all model. Oregon was awarded a \$48 million grant—the second largest awarded nationally—by the federal government to set up one of the first model exchanges. SB 99 now goes to the House for consideration.

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