



## Summary of the Health Care All Oregon Act – SB 1046 (2017)

Full text at <https://olis.leg.state.or.us/liz/2017R1/Downloads/MeasureDocument/SB1046/Introduced> (or search on OLIS)

**Purpose of the Act:** The purpose of the Act is to ensure access to comprehensive, quality, patient centered, affordable, and publicly funded health care for all Oregonians, to improve population health, and to control the cost of health care for the benefit of individuals, families, business, and society.

**Who is covered:** All persons residing or working in Oregon.

**Covered services:** Services that are medically necessary, and/or appropriate for the maintenance or rehabilitation of health or the prevention or diagnosis of health problems, excluding elective cosmetic surgery, and including: Primary and preventive care, including health education; Specialty care; Inpatient care; Outpatient care; Emergency care; Home health; Prescription drugs; Durable medical equipment; Mental health services; Substance abuse treatment; Dental services; Women's health services; Chiropractic, Acupuncture, and Naturopathic services; Ophthalmic services, as well as basic vision and vision correction; Diagnostic imaging, laboratory services, and other diagnostic and evaluation services; Inpatient and outpatient rehabilitative services; Emergency transportation; Language interpretation and translation services; Palliative and hospice care; Podiatry; Dialysis; and telemedicine as it becomes available and effective. In 2021, the Board shall submit a plan to the Legislative Assembly to include Long Term Care in the Plan. (The Board will determine which services will be covered under each of the above categories.)

The Plan will cover all services previously covered by Oregon Educators Benefit Board (OEBB), Public Employees Benefit Board (PEBB), Medicare, Medicaid and Medicare Advantage Plans unless strong medical evidence indicates such services should be discontinued.

**Choice:** Participants are free to choose any state licensed health care providers practicing within the scope of their licenses.

**Affordability:** No co-payments and deductibles. Providers must accept payments from the Plan as payments in full and may not bill participants for services covered by the Plan.

**Financing the Plan:** In lieu of premiums, co-payments, co-insurance, and deductibles, the Health Care for All Oregon Plan will be funded primarily by a progressive income tax and a progressive employer payroll tax, which will be collected by the Oregon Department of Revenue and deposited in the "*Health Care for All Oregon Fund*." The intent is that:

- The revenue raised by the progressive income tax will be approximately equal to the total currently paid by Oregonians for co-payments, co-insurance, and deductibles, with no new income tax on those below about 150% to 200% of the poverty level. (details TBD)
- The revenue raised by the employer payroll tax on public payrolls will be smaller than what is currently paid for employee health insurance. (details TBD)
- The revenue raised by the employer payroll tax on private sector payrolls will be less than the average currently paid for employee health insurance by firms of similar size. (details TBD)

Following arrangements for necessary waivers, exemptions, and agreements, legislation will ensure that all payments for health care services provided to participants from federal, state, county, and local government sources will be paid directly to the "*Health Care for All Oregon Fund*."

**Fund for displaced workers:** The Board will provide in the budget funds for up to two years of training and extended unemployment benefits, if necessary, of workers displaced as a result of this Act for the first four years that the Plan is operational

**Health Care for All Oregon Fund:** All money in the Fund shall be used only for payments to health care providers, administrative costs, approved capital expenditures for major facilities and equipment, independent Ombudsman offices for both health care providers and Plan participants, training for workers displaced by the Plan, extended unemployment benefits to workers displaced by the Plan if needed, and incentives/training to ensure an adequate number of health care providers in Oregon.

**Governance:** The Plan will be governed by a Board of Directors of nine voting members, appointed by the Governor and confirmed by the Senate. Two of the appointed members shall be licensed health care providers, at least one of whom is other than an MD or DO, two shall have significant education and experience in public health, two shall have extensive demonstrated experience in health or consumer advocacy, and one each shall be from labor and business. There shall be at least one board member from each of Oregon's congressional districts.

**Responsibilities of the Board:** The Board is responsible for the development and implementation of the Plan and oversight of Plan management, including, but not limited to: Seeking all waivers, exemptions, and agreements from federal, state, and local government sources that are necessary to provide funding for the Plan; Determining policies and adopting administrative rules; Adopting a biennial budget; Determining the specific benefits package; Overseeing management of the HCAO Fund; Ensuring that health services reimbursed by the Plan are evidence-based and cost-effective; Ensuring access to quality health services; Emphasizing disease prevention and health promotion; Establishing a process to evaluate proposed capital expenditures for major facilities, equipment and services to ensure equitable distribution of facilities and services; Partnering with public health agencies to improve population health; Submitting the Plan budget to the Oregon Legislature; Ensuring that implementation of the Act is equitable for Plan participants, regardless of health status, age, disability, gender, employment or income; Reporting at least annually to the Legislature and the public on the performance of the Plan; Recommending needed amendments to this Act and related legislation; Establishing cost containment mechanisms; Ensuring that Oregon's health care workforce is sufficient in numbers and adequately trained to meet the increasing demands of health care expansion and transformation, possibly using funds to attract or train providers if necessary; Working with Oregon's congressional delegation to change federal legislation or policy to support Oregon's health care expansion and transformation.

**Advisory Committees:** The Board shall apportion the state into regions for advice and planning purposes with at least one such region in each congressional district. Each region will have a Regional Advisory Committee to solicit input, receive complaints, conduct public hearings, facilitate accountability, and assist the Board. Each region shall also have a Regional Planning Board to identify health care facility and service needs in order to achieve optimum population health and equitable distribution of health services throughout Oregon. The Regional Planning Boards will review both privately and publicly funded major capital projects, and may recommend capital expenditures by the Plan towards health care facilities or equipment.

**Oregon Health Authority:** The Oregon Health Authority shall implement and administer the Health Care for All Oregon Plan under the general direction, policies, and oversight of the Board.

This Act repeals the Oregon Health Insurance Exchange, Oregon Medical Insurance Pool Board, Oregon Medical Insurance Pool, Office of Private Health Partnerships, Family Health Insurance Assistance Program, and the private health option under Health Care for All Oregon Children program when the Plan becomes operational.