

LEGISLATIVE UPDATE

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2019 Session Gets Underway

More than 1500 bills have been introduced. Committees began meeting. And the 2019 Legislative Session began in earnest last week.

Major bills to fund Medicaid (see below), increase state revenues by up to \$2 billion for education, impose a new carbon reduction tax, spur affordable housing and rent control, and create a new paid family leave program will dominate headlines.

Legislative hearings last week were primarily agency briefings.

Medicaid Funding Package Split into Three Bills

Tina Edlund, the Governor's health care advisor, says the Medicaid funding package will be divided into three separate bills.

1. Hospital and Insurance Premium Tax – First up will be the 6% hospital tax and the 2% insurance premium tax. The carriers and hospital association have agreed to the terms of these taxes, so the plan is to move this bill quickly, early in the session.
2. Tobacco Tax – The \$2 per pack increase in the tobacco tax, which will also include a vaping tax, will come later. It's expected this tax will go to the voters, either by a legislative referral or signature-collecting referendum.
3. Employer Responsibility Assessment – The details on this new tax are still being worked out. The plan is to model a tax already in place in San Francisco. A per employee threshold for health insurance payments by large (50+) employers would be established. Companies spending less than that would pay an assessment. The goal is to capture new revenue from companies whose employees are uninsured or on Medicaid.

Salem CCO Drops Out

Willamette Valley Community Health, covering Marion County, announced it will not apply for a new Medicaid contract this spring. Reportedly, Salem Hospital, Salem Clinic and WVP Authority will create a new Community Care Organization and apply for a contract under CCO 2.0.

Willamette Valley Community Health is the first of the 15 CCOs to shift gears but other changes among the 15 CCOs are expected.

CCO letters of intent for new contracts are due by February 1.

SB 61 – Adds Public Member to Oregon Medical Board

The Oregon Medical Board is supporting a bill to expand the Board to include a third consumer representative. There is no opposition.

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