

## LEGISLATIVE UPDATE

Prepared for OAFP

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### **Policy Committees Close this Friday**

This is the last week for policy committees to work on bills this session. They are scheduled to close down on May 24<sup>th</sup>. Bills must be passed out of committee by the end of the day, or they die.

At that point, the legislature will shift its focus to the budget, and any bills that have been sent to Ways and Means that would require new funding.

Legislators have about six more weeks to wrap up the budget and all their other work. The session must end no later than Saturday, June 30th.

### **SB 765 – Primary Care Spending**

The House Health Committee sent SB 765 to the House Rules Committee this week where more work can be done on the bill. Rep. Cedric Hayden (R-Roseburg) commented, “I’m hopeful that we can get it there. I’ll be a no on it and hopefully that will get the stakeholders to come together.”

Advocates say the bill will align Oregon’s measure of primary care spending with the national standard, so the data can be compared with other states. The bill also allows the Department of Consumer and Business Services and Oregon Health Authority to set percentage targets for the use of alternative payment methodologies for carriers and CCOs.

Current statute requires that payers spend 12% of their total medical expenditures on primary care. Carriers and CCOs are adamant that changing the definitions will require them to increase spending on primary care, thereby raising rates.

Rep. Rachel Prusak (D-West Linn) and Rep. Christine Drazan (R-Canby) have been asked to work with stakeholders.

### **Democrats Trade Vaccination and Gun Control Bills for Education Funding**

Senate Republicans’ boycott worked, sort of.

Senate Republicans didn’t like the new \$2 billion corporate activity tax to fund education. Their boycott of Senate activity stretched into a second week until Democrats and the Governor agreed to kill HB 3063, which would have eliminated philosophical and religious exemptions to children’s vaccinations, and SB 978, a gun control bill.

Senate Republicans came back to work late Monday and the Senate passed HB 3427, the new corporate activity tax that will provide \$2 billion for education.

The deal failed to include PERS reform or elimination of the proposed carbon cap and trade program, both top priorities for Republicans.

### **HB 2447 – Forum on Health Care Delivery in the Future**

Vertically integrated, non-profit health care systems would have antitrust exemption to participate in a discussion of a less expensive health care system of the future.

Sen. Lee Beyer (D-Springfield) said he's heard concerns from others who may be excluded from the conversation. "It's just a discussion," he said, "that gets people talking about how to improve the system."

The Senate Health Committee approved the bill, sending it to the floor for debate.

### **HB 3076 – Hospital Charity Care & Community Benefits**

The House Rules Committee approved an amended version of HB 3076 that sets new standards for hospital charity care and community benefits.

Among other provisions, it:

- Requires charity care policies to cover patients with incomes up to 400% federal poverty level at both nonprofit hospitals and nonprofit clinics
- Sets new restrictions on hospital collection practices, and
- Creates a new process by which the Oregon Health Authority will establish a floor for each hospital's community benefit spending.

The bill passed the committee on a straight party-line vote and now goes to the House floor for debate.

### **SB 250 – ACA Alignment**

Because of uncertainty at the federal level, the Insurance Division wants to add key provisions of the Affordable Care Act (ACA) to Oregon law to protect consumers in case the ACA, or key components, go away.

Among other provisions, the bill maintains protections for people with pre-existing conditions, clarifies that mental health parity requirements apply to individual and group plans, and enables DCBS to run a state-based risk adjustment program, if necessary.

The House Health Committee passed SB 250, which now heads to the floor.

### **SB 134 – Standardized System of Care for CCOs**

SB 134 aims to address the lack of transparency in how Coordinated Care Organizations (CCOs) treat patients with mental illness and substance abuse disorders. It requires CCOs to publish behavioral health treatment options and resources online, making treatment systems more transparent and navigable.

The House Health Committee amended the bill to ensure "tribal-based practices" are included alongside evidence-based treatment options, and moved the bill to the floor.

### **SB 1041 – CCO Financial Transparency**

SB 1041 seeks to improve transparency in coordinated care organizations' financial reporting and provides the Oregon Health Authority with some of the regulatory tools available to DCBS and the Insurance Division.

The House Health Committee adopted amendments put forth by OHA ad Coalition for a Healthy Oregon (COHO), which opposed the original bill; and passed SB 1041 out of committee.

Pat Allen, OHA's Executive Director, testified, "We're confident that the bill is a significant improvement over the current regulatory structure."

FamilyCare, a CCO in the Portland area until 2018, and Rep. Alissa Keny-Guyer (D-Portland) raised concerns that the amendments are only prospective, and a "baby step" in the direction of transparency, when what we really need is a "quantum leap".

Committee Chair Rep. Andrea Salinas (D-Lake Oswego) called the bill "a good first step," saying, "These are taxpayer dollars that we need more transparency around."

## **Insurance Rate Filings for 2020**

Insurers filed their proposed 2020 rates for the individual and small group markets.

Requests for rate increases in the individual market range from -3.2% for Moda to 13.5% for Health Net. The price for those plans (for a Portland Silver plan for a 30-year-old) range from \$436 (PacificSource) to \$552 (Health Net).

In the small group market, increases run from -0.3% (Health Net) to 13.1% (United), and rates from \$328 (Kaiser) to \$394 (PacificSource).

Insurance Commissioner Andrew Stolfi said, "We are encouraged to see carriers providing more options to Oregonians by expanding into both rural and coastal communities, and the market stabilizing in spite of uncertainty at the federal level."

Final rates will be announced in July following agency review and public comment.

## **SB 698 – Rx Translations**

The House Health Committee passed the bill to require translations on certain prescription labels. SB 698 will take effect in January 2021 and excludes institutional pharmacies, including those at hospitals.

The bill allows the translation to be either on the prescription label or on an informational insert. It also limits the requirement to the top 14 languages spoken in Oregon.

## **SB 823 – Workplace Violence Prevention**

A coalition of hospitals, SEIU and the Oregon Nurses Association developed a Workplace Violence Prevention Toolkit to improve workplace safety in hospitals. SB 823 would embed elements of the toolkit in statute.

The bill also protects employees from employer retaliation when they report violence, and requires hospitals to hire security personnel for emergency departments, which experience the majority of these events.

The House Health Committee passed the bill, sending it to the floor.

## **SB 1027 – Needle Prick Testing**

If a health care provider is accidentally pricked by a needle from an unconscious patient, a judge's order is needed to test that patient for communicable diseases, which can take up to four days. Ideally, the pricked health care practitioner would be start treatment within a half hour.

Brought by the OMA, OHSU and Oregon College of Emergency Physicians, SB 1027 allows healthcare providers to test the patient for communicable diseases immediately, thus granting healthcare providers the best treatment chances.

The House Health Committee is waiting on amendments requested by the Cascade AIDS Project and the sponsors of the bill.

## **SB 707 – Youth Suicide Advisory Board**

SB 707 enshrines the Youth Suicide Alliance, which was set up in 2014, into statute as an advisory board to OHA. The bill passed out of the House Health Committee and now goes to the floor.

## **SB 742 – Licensing Athletic Trainers**

The House Health Committee amended SB 742 to address legislators' concerns that the bill expanded athletic trainers' scope of practice to primary care, and moved the bill to the floor without objections.

The bill also replaces the current registration requirement for athletic trainers with a new license.

### **State Revenues High, Triggers Biggest Kicker on Record**

State economists were astounded by the increase in tax revenue this year. They say that corporate and personal tax collections were \$500 million higher than a typical year. This means the state has to return \$1.4 billion in tax revenue to Oregonians, marking the largest kicker on record.

Economists were quick to caution the legislature that this was not due to increased economic activity; Oregon is stable in that regard, though the economy continues to slow. They instead attributed it to the federal tax cut that caused many taxpayers to shift income into the 2018 tax year. But the real question for policy makers is how much of that revenue will persist into future biennia.

“This is an historic windfall. To me when we have an historic windfall in public finance, you sock it away in the rainy day fund, or the PERS fund,” commented Senate Finance Chair Mark Hass (D-Beaverton).

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