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**LEGISLATIVE UPDATE**

Prepared for OAFP

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**Session Ends**

With a flurry of floor votes, the Legislature concluded their 2021 Session on Saturday evening. Lawmakers passed the largest state budget in history due to unexpectedly strong revenue projections and billions in federal aid. This allowed legislators to address long-term issues and the fallout from the pandemic by allocating more than \$300 million to mental health, \$600 million to wildfire recovery and prevention, \$760 million on affordable housing initiatives and assistance to renters and landlords, and \$100 million to expand Medicaid to undocumented adults.

One of the most welcome products of the Session was that lawmakers were able to avoid the crippling walk-outs of the previous two sessions. While Republicans decried the lack of transparency and the speed at which bills were moved, there were also many bills that received bipartisan support.

Due to delays from the U.S. Census Bureau, the Legislature was forced to delay the redistricting process until after August 15<sup>th</sup>. Lawmakers have until the end of September to update districts or else Secretary of State Shemia Fagan will be given the authority to do so. Legislative leaders are already planning a September Special Session to address the subject.

**HB 3352 – Cover All People**

HB 3352 would expand eligibility for the Oregon Health Plan to adults who would qualify but for their immigration status.

A late amendment requires the Oregon Health Authority to seek workgroup recommendations if funding is insufficient to cover all eligible individuals, changes the program operative date from March 1, 2022 to July 1, 2022, and appropriates \$100 million in General Funds.

Rep. Christine Drazan (R-Canby) asked about OHA's ability to restrict eligibility if funding is insufficient, and the name "Cover All People."

Sen. Elizabeth Steiner (D-Portland) responded, "Our expectation is that despite calling it Cover All People and hoping it will be for all people, that we would not get full participation by any means. Not this coming biennium, not the biennium after that, probably never." Sen. Steiner emphasized that if the program sees significant enrollment and has insufficient funds, it will not be up to the Legislature but OHA in consultation with community organizations to restrict eligibility. This section of the bill is repealed on June 30, 2023.

### **SB 844 – Prescription Drug Affordability Board**

The bill to create the bill that establishes new Prescription Drug Affordability Board was passed this week with an amendment that removed the ability of the Board to set an upper payment limit for drugs. This allays provider concerns that the policy would unintentionally prohibit providers from being reimbursed for expensive pharmaceuticals, when the intention was to limit how much drug manufacturers can charge.

### **HB 2362 – Mergers and Acquisitions**

Rep. Andrea Salinas' (D-Lake Oswego) bill to give the Oregon Health Authority the power to review health care related mergers and acquisitions made its way through Ways and Means and both chambers this week.

The final version of the bill revises the revenue test required for a material change transaction. Transactions that meet the threshold occur when at least one party had an average revenue of \$25 million or more in the preceding three fiscal years and another party had an average revenue of \$10 million or more in the three preceding fiscal years.

While some lawmakers questioned whether the bill was ready for primetime, Sen. Elizabeth Steiner Hayward (D-Beaverton) defended its passage—"The urgency for this comes from the ever-increasing consolidation of power in a relatively small number of health systems in this state, and that's a consolidation that has already been shown to harm consumers and businesses by raising prices significantly and restricting access to certain types of care in parts of the state" she told the Ways and Means Committee.

### **HB 5006 – Xmas Tree bill**

This year's end of session reconciliation bill passed in the final days of the Session included:

- \$120 million for Broadband Fund - Monies in the fund can be used to provide grants or loans through the Oregon Broadband Office and for the administrative costs of the office. Eligible uses of the grants and loans include projects for the planning and development of broadband service infrastructure, digital literacy, digital inclusion, and digital adoption
- \$19 million for increases to Medicaid dental rates

"This bill is a tremendous message in how we are investing in the state" commented Speaker Tina Kotek (D-Portland) during the hearing in Ways and Means.

### **HB 3398 – Delays Implementation of Paid Family and Medical Leave**

The Legislature passed the that bill delays implementation of the paid family and medical leave law passed in 2019. It changes:

- The start date for employer and employee contributions from January 1, 2022 to January 1, 2023
- Benefit payments from January 1, 2023 to September 3, 2023
- Employer assistance grants from January 1, 2023 to June 30, 2023
- The Department of Education General Fund repayment date from January 1, 2023 to June 30, 2023

### **HB 2528 – Dental Therapists**

The Senate and House both passed HB 2528 off the floor this week. In the House concurrent vote to the Senate's amendments, Rep. Rachel Prusak (D-Tualatin) reminded her colleagues of the issue and bill's long path. It took 19 amendments this session for the Oregon Dental Association to be neutral on the bill.

Bill sponsor Rep. Tawna Sanchez (D-N/NE Portland) encouraged her colleagues to support the bill. “The pilot project is working. People are getting care that saves teeth – and lives,” she said. “I would love to have a dentist in every part of Oregon. But that’s just not the way it is.”

Rep. Cedric Hayden (R-Roseburg) spoke about the Oregon Health Authority’s 11% cut to oral health during the pandemic. “I believe this bill is a reaction to this cut in an attempt to get lower cost services. ... We got close, but I’m still opposed to this bill because I have concerns about that rare [medical emergency] case when the dentist isn’t in the building,” he said.

The bill now goes to the Governor to be signed.

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