Comparison of Oregon Health Care Proposals Included in SB 329A and SB 27A

5/10/07

	Senate Interim Commission (SB 329-6 Amendments)	Archimedes Movement (SB 27-2 Amendments)
Stated goal(s):	That all Oregonians have access to and participate in a health benefit plan that provides high quality, effective, safe, patient-centered, evidence-based and affordable health care delivered at the lowest cost **(Section 4(1))**	(1) That all Oregonians have timely access to treatment for a defined set of essential health conditions **(Section 2(1); (4)(a)); (Section 3(1)); and (Section 7(1))** and (2) Offer a blueprint for national health care reform **(Section 2(2))**
Institute health care access for all of Oregon's children	Yes (implicit)	Yes (implicit)
Principle of shared responsibility including personal accountability	Yes **(Section 3(4))**	Yes **(Section 3(4))**
Phased approach to reform	Yes (implicit)	Yes (implicit)
Oversight/ Governance	Establishes Oregon Health Trust Board with initial membership terms expiring January 1, 2006 **(Sec. 6)**, and then an ongoing staggered Board membership to administer the Health Fund program **(Section 5 (1))**, develop a comprehensive plan, offer a proposal to implement plan to the 2009 OR Legislature (Sections 11, 13), oversee development of defined set of essential health services **(Section 17(4)) ,** conduct public hearings **(Section 12**), and establish four subcommittees to develop recommendations. **(Section 11).** Creates additional committee to investigate changes to federal law requirements concerning the Oregon Health Trust Fund and bring findings to the Oregon Congressional delegation and requests participation in Oregon congressional districts and in Washington D.C. **(Section 11(1)(b) and (c)).**	Temporary Oregon Better Health Design Board to develop a comprehensive plan, offer a proposal to implement plan to 2009 OR Legislature (including a proposal to forward for federal introduction by Oregon Congressional delegation) oversee prioritization of essential health services, conduct public hearings, and establish six subcommittees to develop recommendations **(Sections 5 and 7).** Permanent Oregon Better Health Board to manage the Oregon Health Trust Fund **(Sections 13)**, oversee prioritization of essential health services **(Section 14)**, conduct public hearings and contract with private and publicly sponsored health care organizations **(Section 15).**

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Raising federal-level issues/need for change	Committee established to examine the impact of the following federal requirements on achieving goals of the Healthy Oregon Act: Medicaid eligibility and household income limits, tax code regarding self-insurance and portability of health insurance, EMTALA and Medicare policies including reimbursement in Oregon. Committee to provide a report on these issues issued to the Oregon Congressional Delegation pending Board approval **(Section 11(1)(a) and (b)).**	Subcommittee to develop options for a collection mechanism to transfer the value of the public subsidy of employer-sponsored benefits funding to the Oregon Better Health Trust Fund **(Section 11(1)** within certain parameters **(Section 12).** Planning process assumes that the Oregon Better Health Fund will include the value of Medicare, Medicaid and public subsidy of employer sponsored coverage **(Section 10 (1)(a-d))**. Requests that the Oregon Congressional delegation sponsor federal legislation to support the plan through federal pilot projects for Medicare **(Section 16(2)(a)** that do not include state administration of Medicare funds, and Medicaid demonstration projects. **(Section 16(2)(b))**.
Exchange/Purchasing Pool?	Pools funds through the Oregon Health Fund (as a purchasing pool for services through Accountable Health Plans [AHP]) **(Section 10).** Subcommittee to provide recommendations on implementing a health insurance exchange for the state **(Section 11(2)(a)(C).**	Pools all public funds through the Oregon Health Fund (universal access to publicly financed set of health services) **(Section 4).**
Individual Coverage Requirement	The comprehensive plan developed under section 11 (subcommittees) of the act and approved by the Board must ensure, with certain exceptions[1], participation by residents of Oregon **(Section 14(1)).**	All individuals must be eligible for and have timely access to treatment for at least the same set of essential and effective health conditions. (Section 3(1))

[1] Exceptions include: Oregon residents who are eligible for public-funded medical assistance programs, enrolled in commercial health insurance plans, self-insured programs, health plans funded by a Taft-Hartley trust or state and local government health insurance pools (**SB 329-6 (Section 14(2)).**

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Participation and population covered	Healthy Oregon Act requires a defined set of essential health services for all Oregonians **(Section 4 (1)).** Subcommittee on eligibility and enrollment to develop policies, based on a Medicaid Advisory Committee report **(Section 11(3)(d))** on eligibility requirements and enrollment procedures **(Section 11(2)(d)).** An employee of an employer located in Oregon may participate in the program if Oregon is the location of the employee's physical worksite, regardless of the employee's state of residence **(Section 14(1)).**	Universal - all Oregonians are presumed eligible **(Section 2(1) and (4)(a)); (Section 3(1)); and (Section 7(1)).**
Cost-Sharing for Participants	The Trust Board must define affordability standards including maximum cost-sharing levels that will eliminate economic barriers to access from subcommittee recommendations based on a calculation of how much individuals and families can be expected to spend for health insurance and still afford to pay for housing, food and other necessities **(Section 11(2)(b)(B)).**	There must be value based cost-sharing for consumers, with higher cost-sharing burdens for treatment of elective, discretionary conditions and conditions that are lower on the priority list, with lower or no cost sharing for the treatment or conditions that are higher on the priority list, particularly when the treatment is highly effective in producing quality outcomes **(Section 17 (6)(d)(C)).**
Subsidies for Low-income	Subcommittee on eligibility and enrollment to develop proposals for public subsidies of premiums and other costs under the program **(Sec. 11(2)(d)(A)).**	Not Addressed
Change in existing public programs for health services	New public program established **(Section 4),** seeks to streamline state agencies concerning health planning and policy, health insurance and delivery of health care services **(Section 11(2)(b)(G)).** Subcommittee to make recommendations to the Board about eligibility **(Section 11(2)(d)),** and Oregon residents enrolled in a medical assistance program may participate **(Section 14(1)).**	New universal public financing of access to essential health services for all Oregonians (Oregon Better Health Trust Fund) established streamlining all public dollars available **(Sections 4 and 10).** Oregon Better Health Act to eliminate need for a special program for the poor by ensuring that all Oregonians have access to a defined set of essential health services **(Section 2(4)(a)).**

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Leverage available federal funds (Medicaid maximization)	Yes **(Section 11(2)(a)(F))**	Yes **(Section 10 (1)(b)) and (Section 16(2)(b))**
Benefits	The Board establishes a set of essential health services based on proposals from a benefits subcommittee from methodology determined by the Health Services Commission **(Section 11(3)(c)).** Each AHP must provide coverage of the entire defined set of essential health services **(Section 11(2)(b)(B)(ii).** Employers have the option of offering primary or secondary coverage beyond the defined set of essential health services **(Section 4(3)).**	The Oregon Better Health Design Board and the Oregon Health Services Commission will determine coverage of services based on population priorities **(Sections 7(3), 10(1), 14(1)(c) and 15).** Revises ORS 414.720 (Oregon Health Services Commission) to include 10 categories of prioritization for a defined set of essential benefits **(Section 17).**Hi-risk costs to be spread and supplemental coverage can be offered (**Section 8 (8) and (10))**.
Role of the Employer	Private and public employers may have employees buy into the program with employer/employee contributions or have the option of offering primary or secondary coverage beyond the essential health services **(Section 4(3)).** An employee of an employer located in Oregon may participate in the program if Oregon is the location of the employee's physical worksite, regardless of the employee's state of residence **(Section 14(1)).** Subcommittee on finance to provide proposals to the Board for collecting employer and employee contributions and individual health care premium contributions, and redirecting them to the Oregon Health Fund **(Section 11(2)(a)(B)).**	Oregon Better Health Act reconsiders benefits so they will not be tied to employment **(Section 2(3)(c)).** Employers may remain distributor of benefits **(Section 8(9))** and would be able to purchase additional benefits to supplement the "essential benefit package" **(Section 8(10)).** Subcommittee established to make recommendations on the collection mechanism to transfer the value of the public subsidy of state and federal tax expenditures to the Oregon Better Health Trust Fund **(Section 11(1)).** Mechanism must not result in employers discontinuing coverage, inequities between employers, recognize small businesses, and take into account the global economy, a mobile workforce, and changing structure of workplace **(Section 12).**
Health Plan/Carrier Requirements	Subcommittee on delivering health services to make recommendations to the Board regarding the implementation of the program that ensures that each AHP does not deny enrollment to an Oregonian with an Oregon Health Card (participating in the program), provides a defined set of essential health services, develops an information system to connect enrollees with appropriate medical and dental services and health care advice, offers a	The Oregon Health Fund Design Board assumes that permanent Board will contract with private and publicly sponsored health care organizations; contracts include standards for quality, performance and transparency. Must use community rating, no underwriting, minimum medical loss ratio, and offer defined benefits to offer secondary coverage **(Section 8).**

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	simple and timely complaint process, provides information to enrollees about cost and quality of services offered by health plans and procedures offered by medical and dental providers, provides advance disclosure of the estimated out-of-pocket costs of a service or procedure, has contracts with sufficient networks of providers, ensures a primary care medical home, includes in its network safety net providers and local community collaboratives, regularly evaluates its services and patient satisfaction, has strategies to encourage preventive services and healthy behaviors, has simple and uniform procedures for enrollees to report claims and for AHPs to make payments to enrollees and providers, provides enrollment, encounter and outcome data for evaluation and monitoring purposes, and meets established standards for loss ratios, rationing structures and profit or nonprofit status **(Section 11(2)(b)(B)(i-xiv)).**	
Financing	Pools a variety of funding sources – public and private employer and employee contributions, individual premiums, federal funds that are made available (only Medicaid and SCHIP are listed) excluding graduate medical education and disproportionate share adjustments, and state appropriations money appropriated by the Legislative Assembly-- to create "Oregon Health Fund" **(Section 10 (1)(a-g))**	For planning purposes an assumption is made of the value of funds that would be available. The Pool's assumed public funds include Medicare, Medicaid, general fund for Medicaid and the public subsidy of employer-based coverage). In discussing the permanent structure, additional revenue is to be determined by the Oregon Health Board **(Section 10(1))**. Benefits adjusted if money allows, but the reimbursement rate for providers and plans established under the contractual agreement with the OHB shall not be reduced **(Section 10(3)(b)and (c)).**
Realign incentives to improve cost effectiveness &quality	Yes **(Section 3(11)); (Section 11 (1)(b)(C))**	Yes **(Section 3(12)); (Section 8(2)); (Section 11(2)); (Section 14 (1)(c)); and (Section 17(6))**

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Cost-Containment Mechanism(s) and Quality Initiative(s)	AHPs would provide coverage of a defined set of essential health services for all Oregonians, integrate public oversight, consumer choice and competition within the private market, use proven methods of health care benefits, service delivery and payments that control costs and overutilization with an emphasis on preventive and chronic disease management and provide each Oregonian with a primary medical home, increase financial equity and transparency in costs and reimbursements **(Section 4(2)(3)(4)(7)).** Subcommittee on finance to evaluate barriers to the provision of cost-effective services, contract reimbursement, effectiveness of certificate of need, consideration of a statewide uniform credentialing process and the costs and benefits of improving the transparency of costs of hospital services and health benefit plans **(Section 11(2)(a)(G).** The Office for Oregon Health Policy and Research is instructed to develop a quality institute to promote and coordinate quality data collection and measurement, health information technology, and value based purchasing. **(Section 15(2)).**	The Oregon Better Health Design Board will create six subcommittees that will detail the structure of the delivery system, including standards for quality, transparency and accountability as well as performance measures **(Section 11).** In the permanent structure: Contracts established with private and public health care organizations for the treatment of defined services must also include standards for quality, performance and transparency, including transparency of costs, charges and outcomes **(Section 8(1) and (2)).**
Health information infrastructure	Yes**(Section 11(1)(b)(B)**	Yes **(Section 9))**
Evaluation	The Office for Oregon Health Policy and Research, the Oregon Health Research and Evaluation Collaborative, and others with relevant expertise shall develop a five-year plan for evaluation and monitoring of the initial outcomes of the program. The plan shall measure: provider capacity, population demand, provider and consumer participation, utilization patterns, changes in health outcomes, health disparities and quality, financial impacts, employers discontinuing health benefits, use of technology and transparency of costs (**Section 15(1)(a-j)).**	Not addressed specifically