



How Oregon's HB 4035 Protects Oregonians' Health Care Coverage

During the 2022 Oregon Legislative Session, United States of Care worked with a diverse coalition of consumers, patients, clinicians, and advocates who supported legislative champions to pass [HB 4035](#), which will help thousands of Oregonians access and maintain health coverage. The bill will create new processes to **ensure people retain coverage when the federal public health emergency (PHE) ends** and will create a **task force to develop a proposal to create a "Bridge Plan"** which will provide coverage for Oregonians with incomes just above the Medicaid eligibility threshold who face affordability challenges that make them more likely to go without or "churn" between coverage.

A Bridge Plan would provide dependable, affordable coverage in a way that works for Oregon by leveraging the state's existing and unique infrastructure and health care system. We believe these are essential first steps to building more long-term solutions that improve Oregon's health care system and laying the foundation for additional policies to be enacted, such as a [public health insurance option](#).

What the bill does:

When the federal PHE ends, so too will the continuous Medicaid coverage protections established in the Families First Coronavirus Response Act (FFCRA). Thus leaving states, like Oregon, to decide the best way forward in redetermining the eligibility of all Medicaid beneficiaries. HB 4035 will provide the Oregon Health Authority (OHA) and other state agencies with needed tools and resources to ease the redetermination process and work to ensure Oregonians don't lose coverage at the end of the PHE.

Additionally, the bill creates a task force to develop a Bridge Plan to provide coverage for Oregonians with incomes between 138% and 200% of the federal poverty level (FPL). Oregonians at this income level are on the cusp of Medicaid eligibility and are particularly

vulnerable to shifting between coverage sources due to minor income changes, [a phenomenon known as "churn"](#). This population is likely to face challenges in accessing affordable private coverage on the Exchange and is at increased risk of losing their Medicaid coverage, which they were eligible for as a result of [federal pandemic policies](#). As a result of the passage of HB 4035, this churn population will still have access to affordable health coverage through the proposed Bridge Plan.

The following key provisions of the bill work toward these goals:

- ★ **Medicaid Redeterminations:** The bill authorizes OHA and other state agencies to develop a process for conducting Medicaid redeterminations by May 31, 2022, which is required to include outreach and enrollment assistance. Key components of this process include the ability for the state to phase in redeterminations by population and the ability for Coordinated Care Organizations (CCOs) under Medicaid and insurers to conduct outreach and enrollment assistance.
 - **Outreach and Enrollment Work Group:** The state is directed to convene a community and partner work group (separate from the task force mentioned below) to advise the state on the development of outreach and enrollment assistance and communication strategies to ensure people don't go without coverage. The work group is required to be composed of community partners and representatives of Medicaid enrollees and is tasked with developing recommendations focused on updating enrollee contact information and elements of the redetermination process (e.g., extending enrollment deadlines and designing phased redeterminations by population).

- ★ **Creation of Task Force and Development of a Bridge Plan:** The bill outlines requirements for the composition of the task force, which is directed to convene no later than March 31, 2022. Task force membership must include health equity and navigation experts, representatives of low-income workers, health insurance companies, CCOs, health care providers, among others. Recommendations from the task force are due, at the latest, by September 1, 2022, and must include a proposal that:
 - Prioritizes health equity, reduction in the uninsurance rate, and the promotion of continuous coverage for communities that have faced health inequities.
 - Offers coverage through existing Medicaid CCOs and requires CCOs to accept Bridge Plan enrollees or contract out as needed to provide coverage.

- Establishes provider reimbursement rates above Medicaid rates.
- Provides essential health benefits and, if possible, dental coverage.
- Provides a transition period for the churn population.
- Considers alignment with the Exchange.

★ **Waiver Authority:** Gives OHA needed flexibility to seek federal waivers that meet the needs of Oregon while also allowing the state to draw down maximum federal funding. OHA will be able to design a program through a federal Medicaid 1115 waiver, 1331 Basic Health Program waiver, and/or 1332 state innovation waiver, based on the recommendations of the task force. This flexible approach enables the state to identify the best approach to ensure continuity of coverage for Oregonians while maximizing federal support. Waiver approval must be granted before implementation of the Bridge Plan can begin.