

March 28, 2019

Representative Andrea Salinas, Chair

House Committee on Health Care
Oregon State Legislature

Re: HB 2269

Dear Chair Salinas and Committee Members:

OSPIRG (the Oregon State Public Interest Research Group) is a consumer advocacy organization with over 30,000 members and supporters throughout the state. For the last several years, OSPIRG has held a seat representing consumer interests on the Marketplace Advisory Committee for the Oregon Health Insurance Marketplace, a division of the Department for Consumer and Business Services.

While OSPIRG does not have a position on HB 2269, we are providing testimony today in hopes of giving the committee some insight into the groups of consumers who could benefit from financial assistance via the Health Care Access Fund created under this proposal, other than the Medicaid eligible population.

As a consumer group, our work is driven by direct input from everyday consumers through conversations both at the door and over the phone, as well as extensive interviews with members who have had difficulties with accessing high value health care. Through this work, we've seen that while most Oregonians are happy with their health care, there are a number of discrete populations who suffer under the status quo. I'd like to draw three to your attention today:

1. Consumers who receive advance premium tax credits ("APTCs") that help cover the cost of monthly insurance premiums, but are still unable to find a plan that covers their health care needs and fits their budget. Premiums on the Affordable Care Act ("ACA") exchanges have generally been higher than advocates expected prior to passage. A general lack of support from the federal government, plus outright disruptions over the last two years have contributed to rising premiums.
2. Consumers who are not high income or in the Medicaid eligible population, but are not eligible for APTCs. Under current law, there are several populations of consumers who are not eligible for any federal assistance paying for health insurance, including individuals in the ACA "family glitch," undocumented immigrants, and consumers with incomes immediately above the 400% FPL threshold for APTC support.

3. Consumers who have health insurance, whether through their employer or the exchange, but who cannot afford to utilize their coverage due to a high deductible, high co-pays, or other cost-sharing mechanisms. For the 2019 plan year, the 138% of FPL cut-off for Medicaid eligibility was around \$12,000 for an individual and \$25,000 for a family of four. People with incomes between 138% and 400% of FPL often have little or no savings. It's difficult to see how a person in this income bracket can effectively utilize a silver plan with a \$3,000 deductible, or a bronze plan with a \$7,000 deductible.

While the ACA represents a substantial improvement for America's health care system, it is far from perfect. The consumers I have identified here are only some of the groups who are poorly served by the current system who could benefit from further reforms.

Thank you for your time and consideration.

Respectfully Submitted,



Mark O. Griffith
Health Care Advocate
OSPIRG