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Health care reform bills clear Oregon Legislature

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SALEM -- The Legislature on Thursday put an end to the need for uninsured Oregon children to depend on safety net clinics or emergency rooms for health care.

A health reform bill that cleared the Legislature will provide health coverage for 80,000 uninsured children and an additional 35,000 uninsured low-income adults and put the state on a path toward covering all of its more than 600,000 uninsured residents.

"It is a great day for kids," said Cathy Kaufmann, policy director for Children First for Oregon, which has been lobbying for a decade to insure all children. "To finally cross that finish line is truly phenomenal."

That and a second health-reform bill go to Gov. Ted Kulongoski for his signature. The governor, who has been pushing to insure all children for years, said Thursday's legislation marked the state's most important step forward in health reform in two decades.

The bills come as a relief to parents such as Lisa and Vinc Revels, both 42, of Portland, who have not had health insurance for themselves or their children since Vinc Revels lost his job as a baker about eight months ago.

The Revels are still making payments on a \$400 doctor's bill to repair the broken arm of their 5-year-old son, Vincent.

"It is scary when your kids don't have insurance," Lisa Revels said.

[House Bill 2116](#), passed by a 20-9 vote after little debate, will tax hospitals and insurers to expand health and dental coverage to uninsured children and low-income adults. The expansion will bring the share of Oregon children with health insurance to 95 percent, putting Oregon among a handful of states that insure virtually all of their youths.

The state will pay the full cost of insurance for children in families whose incomes fall below 200 percent of the federal poverty level, \$44,100 a year for a family of four. It will subsidize on a sliding scale commercial insurance for families with incomes between 200 percent and 300 percent of poverty level.

Children from the lowest-income families can begin enrolling in the state program as soon as the governor signs the bill. Others will be enrolled in October and January. Beate Kilber, 44, and her husband, Brent Kilber, 39, of North Portland will insure their daughters, Ivanya, 12, and Elena, 10, after going for years without coverage. Until now, Brent Kilber, a self-employed carpenter, has earned too much for his children to qualify for the Oregon Health Plan, yet the Kilbers cannot afford \$800 a month to buy their own insurance.

Ivanya went five years without seeing a doctor, then saw one two years ago during a visit to Germany, where she and her mother were born.

"It is a good thing," Beate Kilber said of Oregon's move to insure children. "We are an industrialized country, and there should be money for it."

The tax on insurers and hospitals to pay for the Oregon Health Plan expansion will raise an estimated \$300 million to \$500 million and be matched by nearly \$1 billion in federal money over the next two years. Some of the federal money will be used to pay hospitals what they pay in taxes. Insurers also will get a portion of their tax money back.

Oregonians should see a 1 percent increase in their insurance premiums from the new law, though they also should see smaller increases over the next few years as new reforms curb costs, said Dr. Bruce Goldberg, director of the Department of Human Services.

Many Republicans have criticized the taxes on insurers as an unfair burden on businesses, but no one has expressed plans to collect signatures to refer the law to voters. Two years ago, the Legislature referred to voters a proposal to use a tax on tobacco to insure all children. Oregon voters rejected the tax after an expensive advertising campaign by tobacco companies.

The Senate voted Thursday 23 to 6 in support of [House Bill 2009](#), which will create an Oregon Health Authority that will be charged with streamlining state health services and carrying out a variety of initiatives to contain costs and improve quality in the state's health care system.

Goldberg called the health legislation "tremendously significant" and said Oregonians can expect to see results over the next two years in more modest price increases and higher quality

Questions and answers on new health care plan

Guidelines from the Department of Human Services on how families can enroll in the health care plan approved Thursday by the Legislature:

When can kids enroll?

Low-income families can start to enroll as soon as the governor signs the legislation. Others will be eligible in October, and families whose income falls between 200 percent and 300 percent of the poverty level can enroll their children in January.

How do families enroll?

Families can enroll beginning next month at Department of Human Services branch offices or [online](#).

When will 80,000 uninsured children be enrolled?

By July 1, 2011.

How do eligible adults enroll?

The legislation makes room for 35,000 Oregon adults who live under the poverty level. The state Division of Medical Assistance Programs will begin taking reservations later this summer and then will randomly select names beginning in October.

health care.

Sen. Laurie Monnes-Anderson, D-Gresham, said the 613-page HB2009 marked "the end of the beginning of health care reform." Sen. Jeff Kruse, R-Roseburg, countered that the bill signaled the "beginning of the end" by steering the state toward "a totally government controlled health care system."

Sen. Alan Bates, D-Ashland, a physician, predicted: "We'll look back five to 10 from now and realize this was the most important piece of legislation we passed out."

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