

Spotlight on State: Oregon

This is part of a [series of summaries](#) that highlight notable legislation and initiatives in health policy and reform of all 50 states. Check back on The Source as we roll out additional states each week.

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Oregon is a leader in efforts to provide affordable, high-quality health care to every state resident. State lawmakers approved a proposed constitutional amendment that would provide Oregon residents the right to cost-effective, appropriate, and affordable health care, which will go to the voters. Lawmakers have also tasked the state health authority and another state department with drafting an implementation plan for a public option for individuals and families who obtain individual or small employer insurance from the state exchange and have separately directed a state task force to explore the feasibility of a universal healthcare plan. Legislators also voted to expand Oregon's Medicaid program to cover qualifying undocumented adults.

Oregon is one of several states seeking to rein in healthcare costs by establishing cost growth targets. The state committee charged with designing such a program provided its recommendations to lawmakers, and they have since updated the law to implement the program. Oregon is also experimenting with health delivery and payment reform, directing various state agencies to conduct studies on the feasibility of alternative health care delivery financing and coordinated care models that reward quality over volume of patients.

Oregon is also a leader in promoting healthcare price transparency with a [state-run APCD](#) and comprehensive mandatory reporting statues for hospitals and other facilities. The state offers its residents strong surprise billing protections, requiring insurers to provide enrollees reasonable cost estimates for most non-emergency care provided both in-network and out-of-network and capping patient costs for out-of-network emergency services at in-network rates. Oregon also requires telehealth coverage for video visits, with fuller coverage required for some diabetes care.

Additionally, to address the rising cost of prescription drugs, under Oregon's "Prescription Drug Price Transparency Act," when the price of a medicine rises more than 10 percent, a drug maker must report the reasons to the Oregon Department of Consumer and Business Services, including information about cost of production, marketing and research. Manufacturers face civil penalties of up to \$10,000 per day for failure to comply. In addition to mandating new disclosures by drugmakers and insurers, the law creates a task force that will develop a strategy for greater transparency across the entire supply chain of pharmaceutical products.

With respect to competition, the state has long required prior notice of nonprofit healthcare transactions and additionally provides statutory authority for attorney general review and approval of such transactions based on a broad set of criteria that include public interest and antitrust review. Lawmakers have also passed new legislation that require state health authority approval of transactions between entities whose patient or premium revenue exceeds a certain dollar amount.