

D R A F T

SUMMARY

Digest: The Act says that OHA needs to set up a program to buy routine immunizations for all people in this state. (Flesch Readability Score: 68.6).

Directs the Oregon Health Authority to establish and maintain a universal immunization purchase program for the purpose of providing immunizations to individuals in this state. Establishes the Universal Immunization Purchase Program Board to operate the universal immunization purchase program. Imposes an assessment on assessed entities. Defines “assessed entities.”

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to a universal immunization purchase program; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. As used in sections 1 to 8 of this 2027 Act:

(1) “Adult” means an individual who:

(a) Is a resident of this state or receives health care services in this state; and

(b) Is at least 19 years of age.

(2) “Assessed entity” means any carrier or other entity that contracts or offers to insure, provide, deliver, arrange, pay for, administer any claims for or reimburse or facilitate the sharing of any of the costs of healthcare services for any person residing in or receiving healthcare services in this state.

(3) “Carrier” has the meaning given that term in ORS 743B.005.

(4) “Child” means an individual who:

(a) Is a resident of this state or receives health care services in this state; and

(b) Is under 19 years of age.

(5) “Covered lives” means all individuals who have immunizations covered under:

(a) A health benefit plan, including a health benefit plan offered by the Oregon Educators Benefit Board and Public Employees' Benefit Board; or

(b) Any plan, policy, contract, program or agreement offered by a carrier.

(6) "Health benefit plan" has the meaning giving that term in ORS 743B.005.

(7) "Immunization" means any preparation of killed microorganisms, living attenuated organisms, living fully virulent organisms, RNA, therapeutic, antibody treatment or medicine that has been approved by the United States Food and Drug Administration and recommended by the federal Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention or the Public Health Officer appointed under ORS 431.045 and has been authorized for purchase by the United States Department of Health and Human Services for the purposes of producing or artificially increasing immunity to particular diseases or facilitating recovery from particular diseases.

(8) "Provider" means:

(a) An individual authorized to administer immunizations or provide a health care service in this state; and

(b) An entity comprised of individuals described in paragraph (a) of this subsection.

SECTION 2. (1) The Oregon Health Authority shall establish and maintain a universal immunization purchase program for the purpose of providing immunizations to individuals in this state. The program may purchase immunizations through contract with the Centers for Disease Control and Prevention, directly from the manufacturer of an immunization, through multistate immunization purchasing agreements and other sources as the authority determines necessary.

(2) The authority may contract with third parties as necessary to establish and maintain the universal immunization purchase program described under subsection (1) of this section.

(3) The authority may adopt rules as necessary to carry out sections 1 to 8 of this 2027 Act.

SECTION 3. (1) The Universal Immunization Purchase Program Board is established within the Oregon Health Authority for the purpose of operating the

1 universal immunization purchase program established under section 2 of this 2027
2 Act. The board consists of 10 members appointed by the Director of the Oregon
3 Health Authority who are as follows:

4 (a) One representative of the authority;

5 (b) One representative of the Department of Consumer and Business Services;

6 (c) Three representatives of carriers;

7 (d) Two representatives of providers, one of whom serves primarily children and
8 one of whom serves primarily adults;

9 (e) One representative of local public health authorities, as defined in ORS
10 431.003; and

11 (f) Two members of the public.

12 (2) The board shall:

13 (a) Develop and continually update a plan of operation for the universal immu-
14 nization purchase program.

15 (b) Submit the initial plan and any updated plan to the authority for approval.

16 (c) Not later than 90 days after the end of each fiscal year, submit a financial re-
17 port to the authority in a form and manner determined by the authority.

18 (d) On an interval determined by the authority, submit a report to the authority
19 and the department of any assessed entities not in compliance with the require-
20 ments of sections 4 and 5 of this 2027 Act.

21 (e) Maintain a list of immunizations for which costs are funded by the universal
22 immunization purchase program. The list must include all manufacturer brand
23 choices that are eligible for funding by the federal Vaccines for Children Program ad-
24 ministered by the Centers for Disease Control and Prevention.

25 (3) The board may:

26 (a) Contract with third parties, including a third party program administrator, as
27 necessary to carry out the duties and responsibilities of the board.

28 (b) Enter into agreements with other state or federal authorities to ensure equi-
29 table allocation of funding responsibility with respect to individuals who reside in
30 one state but receive health care services in another state.

31 (c) Allow an assessed entity to use an alternative method for payment of

1 assessments due.

2 (d) Consult with the authority regarding the adoption of rules for the universal
3 immunization purchase program.

4 (4) The term of each member of the board is four years, but a member serves at
5 the pleasure of the director. Before the expiration of a term of a member, the direc-
6 tor shall appoint a successor whose term begins on January 1 next following. A
7 member is eligible for reappointment for no more than two consecutive terms. If
8 there is a vacancy for any cause, the director shall make an appointment to become
9 immediately effective for the unexpired term.

10 (5) A member of the board is entitled to compensation and expenses as provided
11 in ORS 292.495.

12 (6) The board may adopt rules to carry out its duties under sections 1 to 8 of this
13 2027 Act.

14 **SECTION 4.** (1)(a) Each assessed entity shall pay a quarterly assessment calcu-
15 lated as described in this section to the Universal Immunization Purchase Program
16 Board established under section 3 of this 2027 Act not later than the date specified by
17 the board.

18 (b) If an assessed entity does not timely pay the assessment due, interest on the
19 unpaid assessment accrues at the rate of one percent per month, compounded
20 monthly, until the assessment and any interest are paid.

21 (c) Within 45 days after the close of each fiscal quarter, an assessed entity shall re-
22 port to the board the assessed entity's covered lives.

23 (2) The assessment rate shall be determined as follows:

24 (a) Not later than 90 days prior to January 1 of each year, the Oregon Health Au-
25 thority shall provide to the board the estimated immunization purchase costs for
26 adults and children who are not covered by other state or federal funds for the suc-
27 ceeding year. The board may request updated estimates as the board determines nec-
28 essary.

29 (b) The board shall add to the estimate described in paragraph (a) of this subsec-
30 tion the amount necessary to cover the costs of administering the program during
31 the succeeding year, as determined by the board, including any administrative costs

1 incurred by the authority.

2 (c) The board shall add up to 10 percent of the sum of paragraphs (a) and (b) of
3 this subsection to the estimate for the purpose of covering unanticipated costs.

4 (d) The board shall add a working capital reserve to the estimate in an amount de-
5 termined by the board.

6 (e) The board shall subtract the surplus, or add the deficit, in the fund from the
7 preceding year, including any net investment income earned by the fund.

8 (f) The board shall calculate the assessment rate as a per-child covered life per
9 month and a per-adult covered life per month amount to be self-reported and paid by
10 an assessed entity by dividing the sum of paragraphs (a) to (e) of this subsection by
11 the number of children and adults, respectively, projected to be covered by the as-
12 sessed entity during the succeeding year, divided by 12.

13 (3) Unless otherwise determined by the board, an assessed entity that would oth-
14 erwise be responsible for reimbursement to a provider for immunization administra-
15 tion is responsible for reporting the child covered life and the adult covered life, and
16 for the payment of the corresponding assessment.

17 (4) The working capital reserve described in subsection (2) of this section may be
18 used for the purchase of new immunizations or to defray the costs of a public health
19 emergency related to a communicable disease, as determined by the authority. The
20 use of the working capital reserve for the purposes described in this subsection is not
21 intended to negate the need for an interim assessment described in subsection (5) of
22 this section.

23 (5)(a) The board may determine an interim assessment for new immunizations
24 or public health emergencies. The board shall calculate an interim assessment as de-
25 scribed in subsection (2) of this section. The board shall provide written notice to all
26 assessed entities of the interim assessment. An assessed entity shall pay an interim
27 assessment within 45 days after the date on which the written notice was issued.

28 (b) The board may not impose more than one interim assessment in any 12-
29 month period, except in response to a public health emergency declared under ORS
30 433.441, an emergency declared under ORS 401.165 or an emergency or major disaster
31 declared by the President of the United States.

1 (6) For purposes of rate setting, medical loss ratio calculations and reimburse-
2 ment by plan sponsors, an assessed entity shall consider an assessment under this
3 section to be a pharmaceutical or medical benefit cost rather than an administrative
4 or regulatory cost.

5 (7) A provider that participates in the universal immunization purchase program
6 may not submit a request for payment to any assessed entity for an immunization
7 supplied by the universal immunization purchase program established under section
8 2 of this 2027 Act.

9 (8) An assessed entity:

10 (a) May not alter the amount paid to providers to administer immunizations sup-
11 plied by the universal immunization purchase program. A provider may negotiate an
12 immunization administration fee with an assessed entity, subject to relevant federal
13 and state law.

14 (b) Is not obligated to reimburse a provider for an immunization offered under
15 the universal immunization purchase program at a rate greater than the current rate
16 for that immunization when it is provided by the program, if the provider is not par-
17 ticipating in the program and the assessed entity has not received a written notice of
18 noncompliance as described in section 6 of this 2027 Act.

19 SECTION 5. (1) Each assessed entity shall report to the Universal Immunization
20 Purchase Program Board established under section 3 of this 2027 Act the number of
21 covered lives in compliance with a schedule established by the Oregon Health Au-
22 thority.

23 (2) A provider that administers immunizations supplied by the universal immu-
24 nization purchase program established under section 2 of this 2027 Act shall report
25 the administration of an immunization to the authority's immunization registry es-
26 tablished under ORS 433.094.

27 (3)(a) The board may conduct an audit of an assessed entity or a provider to en-
28 sure compliance with the reporting requirements described in this section and sec-
29 tion 4 of this 2027 Act.

30 (b) Prior to conducting an audit, the board shall issue a written request to audit to
31 the assessed entity or provider. An assessed entity or provider that fails to respond to

1 an audit request under this subsection within 10 days after the date on which the re-
2 quest was issued shall be responsible for the payment of costs incurred for the per-
3 formance of the audit.

4 (c) The board may contract with a third party to conduct an audit described
5 under this subsection.

6 **SECTION 6.** (1) The Universal Immunization Purchase Program Board may issue
7 a written notice of noncompliance to an assessed entity or provider for failure to:

8 (a) Comply with the reporting requirements described under sections 4 and 5 of
9 this 2027 Act;

10 (b) Respond to an audit request described under section 5 of this 2027 Act; or

11 (c) Pay an assessment.

12 (2)(a) The Oregon Health Authority, at the request of the board, may impose a
13 civil penalty against an assessed entity for a reason described in subsection (1) of this
14 section if the assessed entity or provider does not cure the failure within 30 days after
15 the date on which the board issued the written notice.

16 (b) A civil penalty imposed under this subsection may not exceed \$1,000, for each
17 violation. Each day during which an assessed entity or provider fails to cure a failure
18 as described in this subsection is a separate violation.

19 (3) An assessed entity against which a civil penalty is imposed under this section
20 shall be responsible for the payment of reasonable attorney fees and other related
21 costs incurred by the authority and the board.

22 (4) Moneys from civil penalties imposed under this section shall be deposited in
23 the Universal Immunization Purchase Program Fund established under section 7 of
24 this 2027 Act.

25 **SECTION 7.** The Universal Immunization Purchase Program Fund is established
26 in the State Treasury, separate and distinct from the General Fund. Interest earned by
27 the Universal Immunization Purchase Program Fund shall be credited to the fund.
28 Moneys in the fund are continuously appropriated to the Oregon Health Authority
29 for the purposes of carrying out sections 1 to 8 of this 2027 Act.

30 **SECTION 8.** If the universal immunization purchase program established under
31 section 2 of this 2027 Act is discontinued, any unexpended moneys from assessments

1 paid under section 4 of this 2027 Act in the Universal Immunization Purchase Pro-
2 gram Fund established under section 7 of this 2027 Act shall be refunded to assessed
3 entities in proportion to the current year's assessment rate.

4 **SECTION 9.** Notwithstanding the term of office specified in section 3 of this
5 2027 Act, of the members first appointed to the Universal Immunization Purchase
6 Program Board under section 3 of this 2027 Act:

7 (1) Three shall serve for a term ending December 31, 2029.

8 (2) Three shall serve for a term ending December 31, 2030.

9 (3) Three shall serve for a term ending December 31, 2031.

10 **SECTION 10.** (1) Sections 1 to 8 of this 2027 Act become operative on July 1, 2028.

11 (2) The Oregon Health Authority may take any action before the operative date
12 specified in subsection (1) of this section that is necessary to enable the authority to
13 exercise, on and after the operative date specified in subsection (1) of this section, all
14 of the duties, functions and powers conferred on the authority by sections 1 to 8 of
15 this 2027 Act.

16 **SECTION 11.** This 2027 Act takes effect on the 91st day after the date on which
17 the 2027 regular session of the Eighty-fourth Legislative Assembly adjourns sine die.
