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“Health Care Reform Implementation in Oregon”

While a number of states have resisted implementation of the Patient Protection Affordable Care Act (PPACA), the state of Oregon anticipated the passage of federal health reform, pursuing bureaucratic changes to increase state capacity through the creation of a new Oregon Health Authority (OHA). This administrative restructuring, together with the election of a Governor well versed in the intricacies of health care policy, meant that Oregon was one of the best positioned states to effectively enact the various requirements mandated under the PPACA. These developments make Oregon a potential best case study of implementation of the new law. Broadly, my work seeks to answer: Under good circumstances with political cooperation, what are the possible effects of federal health reform at the state level?

Most proponents of health reform are suspicious of state discretion not only because state-level initiatives mean that uniformity in national benefits is impossible, but because local business interests often have strong lobbying power. However, states have also been recognized as potential “laboratories of democracy” (as Louis Brandeis argued) where innovation in the policy arena is encouraged and explored. For a variety of reasons, not all of which are administratively sound, the PPACA contains a mix of both national regulations and incentives for state action. I plan to focus on Oregon’s creation of a state health insurance exchange and coordinated care organizations (CCOs), legislation for which was just passed Spring 2011. Together, the two policies represent two different models for public-private partnership. In the case of the exchange, the state is acting as a market mediator, in effect setting the terms under which private health insurance companies can compete for consumers. In contrast, the CCOs represent a partnership between government and medical providers that could serve as an alternative to the dominant one of competitive social service delivery (that assumes competition provides better outcomes for consumers). The cooperative model requires input, deliberation and concessions across a variety of stakeholders. Understanding the dynamics of those processes is critical for any assessment of the programs (how inclusive or democratic are they) but also their likelihood of succeeding in other states.

This summer work is an initial examination of these major policy developments where I plan to be engaged broadly in data collection. Most of this work entails analysis of government documents, including: legislation; administrative rules; agency communication and reports. I plan to supplement the documentary evidence with interviews as necessary of relevant administrative personnel. Since the documentary materials and agency personnel are local, I do not need a budget to carry out this project. Megan Manion’s research on the health insurance industry in Oregon and its influence on the passage of the state health exchange, dovetails nicely with my focus on implementation. The work she proposes precedes mine chronologically and so stands on its own. However, our work will be very useful to each other as the politics of a given policy area continues well past the passage of a particular piece of legislation.