

**Legislative
Fiscal Office**

Oregon State Capitol
900 Court Street NE, H-178
Salem, OR 97301
503-986-1828

Ken Rocco, Legislative Fiscal Officer
Paul Siebert, Deputy Fiscal Officer



**Joint Committee on
Ways and Means**

Sen. Richard Devlin, Senate Co-Chair
Rep. Nancy Nathanson, House Co-Chair

Sen. Betsy Johnson, Senate Co-Vice Chair
Sen. Jackie Winters, Senate Co-Vice Chair
Rep. Dan Rayfield, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Human Services Subcommittee
From: Linda Ames, Legislative Fiscal Office
Date: June 8, 2017
Subject: HB 2391 – Relating to access to health care
Work Session Recommendations

The -9 amendment replaces the original bill. This amendment makes changes to the current DRG hospital assessment program by increasing the rate to 6% (0.7% of that rate is not reimbursed), discontinuing the Hospital Transformation Performance Pool, and exempting OHSU from that program; creates a new rural hospital assessment program; creates a new managed care/insurer tax at a rate of 1.5%, which includes the Public Employees Benefit Board self-insured plans; and establishes the Oregon Reinsurance Program, including transfers of funds to help support the program.

These changes are expected to result in additional revenues of \$500 million in the 2017-19 biennium to be used to fund the Oregon Health Plan and to help fund a reinsurance program. Total revenues include amounts that will be used to repay certain of the providers for some or all of their assessments. This figure does not include revenues associated with the new OHSU inter-government transfer program.

The budget adjustments related to these revenues will be made in the Oregon Health Authority's budget bill, HB 5026. Any necessary expenditure limitation needed by the Department of Consumer and Business Services will be added in the end-of-session bill.

Recommended Changes

LFO recommends adoption of the -9 amendment.

MOTION: I move adoption of the -9 amendment to HB 2391. (VOTE)

Final Subcommittee Action

LFO recommends that HB 2391, as amended by the -9 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 2391, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____