

HOUSE AMENDMENTS TO HOUSE BILL 3501

By COMMITTEE ON HEALTH CARE

May 10

1 On page 1 of the printed bill, line 2, after “hospitals;” insert “creating new provisions; and”.

2 In line 14, delete “75” and insert “80”.

3 In line 15, after “hospital” insert a period and delete the rest of the line.

4 In line 28, delete “(1)” and insert “(2)”.

5 On page 2, after line 1, insert:

6 “**SECTION 2.** ORS 414.743, as amended by section 1 of this 2007 Act, is amended to read:

7 “414.743. (1) As used in this section, ‘fully capitated health plan’ means an organization that
8 contracts with the Department of Human Services on a prepaid capitated basis under ORS 414.725
9 to provide an adequate network of providers to ensure that all health services described in ORS
10 414.705 are reasonably accessible to enrollees.

11 “(2) A fully capitated health plan that does not have a contract with a hospital to provide in-
12 patient or outpatient hospital services under ORS 414.705 to 414.750 must pay for hospital services
13 [at 80 percent of the Medicare rate for the noncontracting hospital] **as follows:**

14 “(a) **For inpatient hospital services, based on the capitation rates developed for the**
15 **budget period, at the level of the statewide average unit cost, multiplied by the geographic**
16 **factor, the payment discount factor and an adjustment factor of 0.925.**

17 “(b) **For outpatient hospital services, based on the capitation rates developed for the**
18 **budget period, at the level of charges multiplied by the statewide average cost-to-charge ra-**
19 **tio, the geographic factor, the payment discount factor and an adjustment factor of 0.925.**

20 “(3) A hospital that does not have a contract with a fully capitated health plan to provide in-
21 patient or outpatient hospital services under ORS 414.705 to 414.750 must accept [as payment in full
22 the rates described in subsection (2) of this section] **payment for hospital services as follows:**

23 “(a) **For inpatient hospital services, based on the capitation rates developed for the**
24 **budget period, at the level of the statewide average unit cost, multiplied by the geographic**
25 **factor, the payment discount factor and an adjustment factor of 0.925.**

26 “(b) **For outpatient hospital services, based on the capitation rates developed for the**
27 **budget period, at the level of charges multiplied by the statewide average cost-to-charge ra-**
28 **tio, the geographic factor, the payment discount factor and an adjustment factor of 0.925.**

29 “(4) This section does not apply to type A and type B hospitals, as described in ORS 442.470,
30 and rural critical access hospitals, as defined in ORS 315.613.

31 “(5) The Department of Human Services shall adopt rules to implement and administer this
32 section.

33 “**SECTION 3. The amendments to ORS 414.743 by section 2 of this 2007 Act become op-**
34 **erative on January 2, 2010.”.**

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