

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass the A-Engrossed Measure
Vote:	4 - 1 - 0
Yeas:	Monnes Anderson, Prozanski, Telfer, Rosenbaum
Nays:	George
Exc.:	0
Prepared By:	Jeremy Sarant, Administrator
Meeting Dates:	5/4

WHAT THE MEASURE DOES: Prohibits home health agencies and hospice programs from compensating nurses who provide home health services or hospice services on per-visit basis. Requires Commissioner of Bureau of Labor and Industries to enforce compliance. Allows Commissioner to adopt rules to carry out provisions. Creates a civil penalty.

ISSUES DISCUSSED:

- Possibility of per-visit pay as subject of collective bargaining
- Availability of incentives other than pay-per-visit
- Effect of pay-per-visit on quality of care
- Value of incentives to provide quality care
- Value of incentives to reduce health care costs

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: In July 2000, the federal Health Care Financing Administration introduced the “prospective payment system,” a new Medicare payment system that targets home health care service delivery. Some Oregon-based home health agencies adopted a pay-per-visit system for compensating nurses; arguably, the overall objective is to serve more patients and provide more total visits without increasing total staffing costs.

Nurses have on-the-job activities beyond directly caring for patients. Examples of such activities include assessment, counseling, consultation, communication with the patient’s family members, and legal documentation. These activities could create tension with a pay-per-visit system of compensation.