

**REVENUE: No revenue impact**

**FISCAL: Fiscal statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
<b>Vote:</b>	9 - 0 - 0
<b>Yeas:</b>	Clem, Conger, Harker, Kennemer, Keny-Guyer, Lively, Thompson, Weidner, Greenlick
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Tyler Larson, Administrator
<b>Meeting Dates:</b>	3/13, 3/18

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**WHAT THE MEASURE DOES:** Requires Oregon Health Authority (OHA) adopt standards and procedures to certify specified mental health providers to qualify for insurance reimbursement. Authorizes OHA adopt fee for certification and for applying for certification. Clarifies only approved or certified providers may receive reimbursement. Allows insurer to establish provider credentialing requirements. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Loss of mental health outpatient certification in 2009 split between OHA and DHS
- Insurance industry support for certification process

**EFFECT OF COMMITTEE AMENDMENT:** Clarifies only approved or certified providers may receive reimbursement. Allows insurer to establish provider credentialing requirements.

**BACKGROUND:** In 2009, House Bill 2009 was enacted, which created the Oregon Health Authority (OHA) and moved several of the state's health programs which were previously under the Department of Human Services (DHS) under OHA. Prior to this separation, mental health outpatient clinics were certified by DHS. Since the separation, there has been no mechanism for these clinics to be certified by the state. With no certification, it is difficult for these clinics to receive compensation from insurers.

House Bill 2737-A requires OHA to create a certification process for providers not otherwise subject to certification or licensing, including mental health outpatient clinics.

3/20/2013 8:50:00 AM

*This summary has not been adopted or officially endorsed by action of the committee.*

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2737 - A**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

Prepared by: Kim To  
Reviewed by: Linda Ames, Susie Jordan  
Date: 3/19/2013

**Measure Description:**

Requires Oregon Health Authority to adopt standards and procedures to certify specified mental health providers to qualify for insurance reimbursement.

**Government Unit(s) Affected:**

Oregon Health Authority (OHA), Department of Consumer and Business Services (DCBS)

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

House Bill 2737 A-Engrossed authorizes and requires the Oregon Health Authority to certify mental health and chemical dependency providers eligible for reimbursement from group health plans. The bill defines provider as a health care facility, residential facility, day or individual medical professional or a provider certified by the Oregon Health Authority, and specifies that the intent of this bill is not to prohibit an insurer from requiring a provider organization certified by OHA to meet the insurer's credentialing requirements as a condition of entering into a contract. However, the bill is silent regarding when group plans must comply to the provisions of this bill, and whether or not these provisions apply to current plans or plans issued or renewed on or after the effective date. The bill declares an emergency and is effective on passage.

Oregon Health Authority (OHA)

OHA reports that its Addictions and Mental Health (AMH) division provided this service until June 2011 through a contractor, who conducted reviews, wrote site reviews and followed-up on corrective action plans. In 2011, the Department of Justice determined AMH did not have the authority to certify these programs, and AMH refunded application fees. Passage of this bill would reinstate the agency's authority and obligation to certify mental health and chemical dependency providers eligible for reimbursement from group health plans.

The bill allows OHA to impose an application fee to cover the cost of the additional staff or contractors to do the reviews. Assuming that 40 providers will apply per biennium, and a \$600 fee to cover the cost of the contracted certification services, OHA estimates the fiscal impact of this bill to be approximately \$24,000 Other Funds per biennium.

Department of Consumer and Business Services (DCBS)

The fiscal impact of this bill on DCBS is anticipated to be minimal. DCBS anticipates using existing staff and resources to serve carriers that choose to re-file their health plans with DCBS.

HB 2737-A4  
(LC 1925)  
4/9/13 (LHF/ps)

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2737**

1 On page 4 of the printed corrected A-engrossed bill, line 15, delete  
2 “chemical dependency or for”.

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