

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Revenue by prior reference
Vote:	8 - 0 - 1
Yeas:	Clem, Conger, Harker, Kennemer, Keny-Guyer, Lively, Thompson, Greenlick
Nays:	0
Exc.:	Weidner
Prepared By:	Tyler Larson, Administrator
Meeting Dates:	3/11

WHAT THE MEASURE DOES: Extends collection of hospital assessment through 2015. Requires creation of hospital performance metrics advisory committee. Directs Oregon Health Authority (OHA) adopt performance payout procedures rules. Allows OHA to reduce assessment if federal limits on assessments are reduced. Allows assessment funds to be used to fund Medicaid (Oregon Health Plan) and Children’s Health Insurance Programs. Requires one percent of assessment be appropriated for performance pool. Requires OHA apply for federal financial participation. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- History of the hospital assessment
- Transformation funding and hospital performance
- Provisions of the bill

EFFECT OF COMMITTEE AMENDMENT: Requires creation of hospital performance metrics advisory committee. Directs Oregon Health Authority (OHA) adopt performance payout procedure rules. Adds criteria for determining assessment amount. Requires OHA apply for federal financial participation.

BACKGROUND: The hospital assessment is a revenue stream created by the Legislature in 2003 to finance Medicaid (Oregon Health Plan) services and which is set to expire in 2013. House Bill 2216-A extends the hospital assessment for two years. Proponents assert that the assessment is an essential part of the Governor’s budget, and will help ensure funding for the Oregon Health Plan transformation through 2015.

The bill also appropriates an additional one percent of the hospital assessment for the hospital transformation and performance fund. The anticipated savings from the coordinated care organizations will come from reduced utilization of hospital services. The fund assists hospitals and staff in the transition to reduce hospital utilization and improve client outcomes.

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