

HB 2395

Relating to state medical assistance program funding

HB 2395 extends the hospital assessment from September 30, 2015 to September 30, 2019. The moneys related to one percentage point of the hospital assessment will be split, with one-half distributed to hospitals based on their achievement of performance metrics and the other half distributed to coordinated care organizations based on recommendations from the metrics and scoring committee. The bill also repeals the sunset of statutes related to mandatory reimbursement rates by CCOs to non-contracting hospitals.

The fiscal impact of the bill for the 2015-17 biennium is \$3.3 billion total funds. This includes \$880 million of hospital assessments and \$2.4 billion of federal matching revenues. The revenues from the assessment are primarily used to fund the Oregon Health Plan, and to repay the hospitals as a group for the initial assessment they paid. The fiscal has been included in the Governor's budget for the Oregon Health Authority.

The Human Services Subcommittee recommends HB 2395 be reported out do pass.