FISCAL IMPACT OF PROPOSED LEGISLATION

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Measure: HB 3513

Prepared by: Kim To Reviewed by: Linda Ames Date: 4/13/2015

Measure Description:

Creates Rural Medicaid Access and Development Act to provide financial support to rural hospitals and health care providers and to establish primary care residency programs.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

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:

This fiscal impact statement is for the purpose of transmitting House Bill 3513 from the House Committee on Health Care to the Joint Committee on Ways and Means.

The bill appropriates an unspecified amount of General Fund and establishes the Rural Medicaid Access and Development Fund to be continuously appropriated to the Oregon Health Authority (OHA) for the administration of a program, contracted with an Oregon-based lending institution, to provide short-term emergency funds to type A, B and C hospitals, and rural hospitals designated as rural referral centers by the Centers for Medicare and Medicaid Services (CMS), including three-year low interest loans to providers who accept medical assistance recipients for patients for the purpose of setting up a practice in rural medically underserved areas, and grants to type A and B hospitals that are at risk of closure. The bill also requires OHA to contract with a vendor to provide assessment, advice and support services to health care facilities in rural areas to assist the facilities in qualifying for reimbursement from the United States Department of Veterans Affairs. In addition, OHA is required to seek out federal funds that may be available to offset the cost of this program.

The bill is anticipated to have a fiscal impact on the Oregon Health Authority; the amount of this impact is still being determined.

A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required

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