

HB 2398 A STAFF MEASURE SUMMARY

Senate Committee On Health Care

Prepared By: Oliver Droppers, LPRO Analyst

Meeting Dates: 5/16, 5/25

WHAT THE MEASURE DOES:

Prohibits health care providers from billing Medicaid recipients except as establish by the Oregon Health Authority (OHA) through rulemaking. Requires health care providers, for claims unpaid after 90 days, to check with OHA to confirm an individual’s eligibility for Medicaid. Prohibits health care providers from submitting a claim to a collection agency if an individual was eligible for Medicaid at the time services were rendered. Directs OHA to convene a stakeholder workgroup to oversee implementation and report back to the Legislative Assembly no later than September 15, 2018.

FISCAL: Minimal fiscal impact.

REVENUE: No revenue impact.

ISSUES DISCUSSED:

- Medicaid eligibility, re-determination and provider billing

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Federal law (42 CFR §447.15) states that Medicaid providers can only accept the amount paid by a state Medicaid agency for services as "payment in full," plus any deductible, coinsurance or co-payment (i.e., cost-sharing) required to be paid by the recipient. Accordingly, Oregon Medicaid providers cannot charge recipients additional amounts for health care services covered by fee-for-service or through contracted health plans, i.e., coordinated care organizations (CCOs). Oregon administrative law (OAR 410-120-1280) prohibits health care providers from seeking payment for Medicaid covered services from individual recipients. Providers can bill for services not covered by Medicaid, however, they must have the recipient sign a "agreement to pay" form prior to rendering the service.

The Oregon Law Center states that Medicaid recipients are receiving bills for covered services when they should not be, and due to inadequate safeguards, the current system is not catching these transactions. In addition, when Medicaid recipients receive these bills, individuals may assume that it is a mistake and do not respond, which in turn may result in the bill to being turned over to a collection agency. House Bill 2398-A modifies conditions in which providers can submit claims to a collection agency for unpaid services provided to Medicaid recipients.