

2017-19

OHP Medicaid & Admin

in millions
General Funds

OHP Proposed Budget
Updated 5/19/17

A	State Funds Gap @ Fall 2016 / Governor's Budget	934
B	Adjustment at Dec 2016 E-board	(17)
C	Current State Funds Gap (A-B=C)	917

			Total Fund Impact:				
			Hospitals	CCOs	OHA	Other Providers	Insurers
Co-Chairs Proposed Reductions and Adjustments							
	Net GF impact of revenue/reductions from other OHA programs	(20)			(9)	(5)	
	Unallocated hospital assessment revenue	(85)					
	Additional drug rebate revenue	(15)					
	Initiative to increase program integrity	(13)					
	Initiative to reduce unintended pregnancies	(11)					
	Enforce mental health preferred drug list	(8)					
	OHP admin & processing center reductions	(9)			(11)		
	CCO global budget lower growth rate	(32)		(129)			
	Fee-for-service rate increase delay	(10)				(38)	
D	Subtotal of proposed reductions/adjustments	(203)					
E	Remaining State Funds Gap (C-D=E)	714	-	(129)	(20)	(43)	
F	General Fund Increase in Co-Chairs' Framework	(139)					
G	Remaining State Funds Gap (E-F=G)	575					

Proposed Budget Package

	Remove OHSU from hospital tax; create new IGT program	(105)					
	Increase hospital tax from 5.3% to 6.0% (true tax on DRGs)	(120)	(120)				
	Discontinue HTPP - direct funds to OHP	(68)	(179)				
	New rural hospital assessment program (approx. 4.0%)	(90)					
	Discontinue OHA/OAHHS provider tax contract	(0.4)	(0.9)				
	Discontinue CCO admin expense from HRA - direct funds to OHP	(4)		(16)			
	Net revenue from 1.5% CCO/insurer tax to OHP	(195)					(145)
	Amount toward reinsurance program						31
	New 1332 reinsurance waiver (pending federal approval)	-					49
	Use temp. reinsurance/Marketplace balances toward reinsurance	-					(57)
	Include PEBB in insurer tax (preliminary estimate)	(10)					
H	Subtotal	(592)					
I	Remaining State Funds Gap (G-H=I)	(18)	(300)	(145)	(20)	(43)	(122)