

## **HB 4162 -1, -2 STAFF MEASURE SUMMARY**

### **House Committee On Revenue**

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**Prepared By:** Dae Baek, Economist

**Meeting Dates:** 2/14, 2/20

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#### **WHAT THE MEASURE DOES:**

Moves the sunset of the Long Term Care Facility Assessment to June 30, 2026. Takes effect on the 91st day after the adjournment sine die.

#### **ISSUES DISCUSSED:**

- History and use of Long Term Care (LTC) facility assessment over the years
- Stability and predictability of funding to LTC
- Eligibility for reimbursement
- Late payment fees

#### **EFFECT OF AMENDMENT:**

- 1 Removes the emergency clause and changes the effective date to the 91st day after the adjournment sine die.
- 2 Maintains current law on one piece of the bed capacity reduction program until its original sunset date in 2020, which was inadvertently deleted in the bill.

#### **BACKGROUND:**

All Oregon long term care (LTC) facilities, commonly known as nursing facilities, are subject to the assessment except for two Oregon Veterans' Homes (The Dalles and Lebanon), which are exempt. Under current law, the assessment rate is set annually and it stands at \$23.68 per occupied bed day for the period beginning on July 1, 2017 and ending on June 30, 2018. For the 2017-19 biennium, LTC assessments are expected to raise \$122.4 million, which in turn will be matched by \$211.4 million in federal funds. The current sunset of LTC assessment is June 30, 2020.

This bill does not require a 3/5 majority. The assessment increases the reimbursement paid to nursing facilities that participate in Medicaid. Because the bill benefits the nursing facilities that pay the assessment, it is not a bill for raising revenue.