

FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

Measure: SB 179 - A <REVISED>

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: June 4, 2019

Measure Description:

Requires Department of Human Services to administer palliative care pilot project to support provision of community-based end of life care.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

<REVISED to clarify Medicaid Management Information System (MMIS) costs.>

Summary of Fiscal Impact:

Costs related to the measure are indeterminate, at this time - See analysis.

Analysis:

SB 179 directs the Oregon Health Authority (OHA) to establish and administer, through fee-for-service payment or through coordinated care organizations, a program to provide palliative care services and support the provision of home- and community-based end of life care. The measure provides guidelines by which OHA must establish, by rule, patient eligibility requirements, provider qualifications, and services to be provided and rates of reimbursement. OHA is directed to seek Centers for Medicare and Medicaid Services (CMS) approval.

The total fiscal impact of this measure is indeterminate, at this time. The measure expands palliative care services eligible for reimbursement and will increase utilization resulting in increased costs. However, until the patient eligibility requirements, provider qualifications, and services to be provided and rates of reimbursement are established, OHA cannot accurately predict the increase in utilization and costs.

In addition, requirements mandated by this bill will require CMS approval. If CMS denies this request, some claims may not be eligible for federal match, which means these costs would be paid with 100% General Fund.

Furthermore, changes mandated by this measure will require modifications to the Medicaid Management Information System (MMIS). However, the Office of Information Services, a shared service of OHA and the Department of Human Services, cannot quantify these costs because the office does not have enough information regarding the population that will be receiving services to define system impacts.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State’s General Fund.