

**HB 2910 A BUDGET REPORT and MEASURE SUMMARY**

**Joint Committee On Ways and Means**

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**Reviewed By:** Tom MacDonald, Legislative Fiscal Office

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**Oregon Health Authority  
2021-23**

PRELIMINARY

**Budget Summary\***

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget <sup>(1)</sup>	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 30,366,152	\$ 30,366,152	100.0%
Federal Funds Limited	\$ -	\$ -	\$ 45,366,152	\$ 45,366,152	100.0%
Total	\$ -	\$ -	\$ 75,732,304	\$ 75,732,304	100.0%

**Position Summary**

Authorized Positions	0	0	3	3
Full-time Equivalent (FTE) positions	0.00	0.00	3.00	3.00

<sup>(1)</sup> Includes adjustments through January 2021

\* Excludes Capital Construction expenditures

**Summary of Revenue Changes**

House Bill 2910 authorizes the Oregon Health Authority (OHA) to request approval from the Centers for Medicare and Medicaid Services (CMS) to administer an assessment and reimbursement program for nonfederal or nonpublic emergency medical service (EMS) providers. OHA is directed to assess a quality assurance fee related to each provider’s emergency and transportation services. The fee must be equal to 5% of the projected total gross receipts for an EMS provider for the following 12-month period, divided by the projected number of EMS transports in that period. The bill establishes the Emergency Medical Services Fund separate and distinct from the General Fund. The quality assurance fee revenue will be deposited into the new fund for grants to innovative ambulance programs, reimbursing medical assistance program expenses, including increasing EMS transport rates, and program administration. The fee revenues are projected to generate \$30.4 million Other Funds revenues, which are projected to draw down \$45.4 million Federal Funds revenue from Medicaid matching revenues, assuming a start date of January 1, 2022, for the reimbursement program. The cost of administering the program will be shared equally between Medicaid and the EMS provider assessment.

HB 2910 also includes changes to the fees paid by emergency medical service providers that support the regulatory responsibilities of OHA’s Public Health Division. The fee changes for ambulance services with a maximum of four full-time paid positions include an increase from \$75 to \$190 and the license fee per ambulance will increase from \$45 to \$115. The fee changes for ambulance services with five or more full-time paid positions include an increase from \$250 to \$625 and the license fee per ambulance will increase from \$80 to \$200. The fee changes also eliminate a \$10 replacement fee charged for ambulatory licenses. Fee revenues are expected to increase Other Funds revenue by \$269,175 in 2021-23.

### **Summary of Human Services Subcommittee Action**

HB 2910 authorizes OHA to request approval from CMS to administer an assessment and reimbursement program for nonfederal or nonpublic EMS providers. OHA is required to establish the reimbursement paid to an EMS provider for an EMS transport. The Subcommittee recommended \$30.4 million in Other Funds expenditure limitation, \$45.4 million Federal Funds in Federal Funds expenditure limitation, and three permanent full-time positions (3.00 FTE) to implement the provisions of the bill. OHA will hire the following three positions: one permanent, full-time Fiscal Analyst 2 to complete the review of provider cost reports, determine the amount providers are eligible to be increased, and project future trends for multiple but an unknown number of emergency service providers; one permanent, full-time Fiscal Analyst 3 to monitor, project, and report actuals for all the Ground Emergency Medical Transportation programs and monitor budgets and CMS reporting; and one permanent, full-time Operations Policy Analyst 3 to work on the request that will be submitted to CMS, work with providers to answer questions and interpret policy. Also included in the Subcommittee's recommendation were \$125,380 in position-related services and supplies.

The budget also contains \$30 million Other Funds Special Payments and \$45 million Federal Funds Special Payments for payments to emergency medical providers under the reimbursement program. This program estimate is based on a start date of January 1, 2022 and assumes a similar pattern of claims to those of a similar program for non-profit EMS providers created in 2016. The amount of the reimbursement program is necessarily a high-level estimate given the difficulty projecting claims for a new program.

The bill does not have a fiscal impact on the Public Health Division, as increased fees for ambulance service licenses will support existing expenditures in order to address a projected revenue shortfall in the program.

PRELIMINARY

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Oregon Health Authority  
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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
<b>SCR 443-030-01 Health Systems Division</b>									
Personal Services		\$ -	\$ 303,462	\$ -	\$ 303,462	\$ -	\$ 606,924	3	3.00
Services and Supplies		\$ -	\$ 62,690	\$ -	\$ 62,690	\$ -	\$ 125,380		
Special Payments	\$ -	\$ -	\$ 30,000,000	\$ -	\$ 45,000,000	\$ -	\$ 75,000,000		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,366,152</b>	<b>\$ -</b>	<b>\$ 45,366,152</b>	<b>\$ -</b>	<b>\$ 75,732,304</b>	<b>3</b>	<b>3.00</b>
<b>SUBCOMMITTEE RECOMMENDATION</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,366,152</b>	<b>\$ -</b>	<b>\$ 45,366,152</b>	<b>\$ -</b>	<b>\$ 75,732,304</b>	<b>3</b>	<b>3.00</b>

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