

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 1555**81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

Prepared by: Haylee Morse-Miller
Reviewed by: Tom MacDonald, Ben Ruef
Date: February 6, 2022

Measure Description:

Specifies reimbursement that must be paid by insurers covering universal newborn nurse home visiting services.

Government Unit(s) Affected:

Department of Consumer and Business Services (DCBS), Oregon Health Authority (OHA)

Summary of Fiscal Impact:

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

Analysis:

SB 1555 requires health benefit plans in Oregon to reimburse in full the cost to a provider of delivering universal newborn nurse home visiting services. The measure also exempts ORS 743A.078 (statute related to universal newborn nurse home visiting services) from ORS 743A.001, which provides for an automatic repeal of certain health insurance statutes after six years.

The Oregon Health Authority (OHA) in collaboration with the Department of Consumer and Business Services (DCBS) is directed to adopt by rule the amount of reimbursement to be paid to a provider of universal newborn nurse home visiting services; or a methodology to reimburse the cost of providing these services. This can include, but is not limited to, value-based payments; a claim invoicing process; capitated payments; a reimbursement methodology that takes into account the need for a community-based entity that provides universal newborn nurse home visiting services to expand their capacity to provide these services and address health disparities; or any other methodology a carrier and provider agree to. This measure has no effective date so is assumed to take effect January 1, 2023.

OHA reports an indeterminate impact as a result of this measure. Changes to the reimbursement requirements for health benefit plans could impact the premiums for the employee health plans offered by the Public Employees' Benefit Board (PEBB) and the Oregon Educators Benefit Board (OEBB), which are housed in OHA.

Based on input provided by PEBB and OEBB actuaries, an exact impact on premiums, if any, cannot completely be determined until further rulemaking is completed. While costs for both Boards are budgeted as Other Funds, the corresponding revenue comes from the premiums paid by state agencies and universities for PEBB's plans, and the K-12 school system for OEBB's plans. The cost growth for these benefits is statutorily capped at 3.4% per member per year. At this time, any impact this measure might have on PEBB and OEBB premiums is expected to be minimal relative to the size of the Boards' health plans and absorbed within the 3.4% limit.

DCBS anticipates no fiscal impact from this measure.