

## SB 486 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

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**Prepared By:** Daniel Dietz, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 2/6

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#### WHAT THE MEASURE DOES:

Directs the Oregon Health Authority (OHA) or a coordinated care organization (CCO) to reimburse a hospital at a reasonable per diem rate for Oregon Health Plan members who no longer need inpatient care but whose discharge is delayed due to circumstances beyond the control of the hospital. Specifies circumstances when a patient's delayed discharge is reimbursable. Declares an emergency, effective on passage.

*REVENUE: May have revenue impact, but no statement yet issued*

*FISCAL: May have fiscal impact, but no statement yet issued*

#### ISSUES DISCUSSED:

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

At an informational hearing before the Senate Interim Committee on Health Care on September 22, 2022, representatives of hospitals including Salem Health and Providence Health & Services testified that delayed discharge from inpatient care was among the reasons why hospitals were operating at capacity ([link](#) to written testimony and meeting materials).

ORS 414.755 directs the Oregon Health Authority (OHA) to set rates of reimbursement for inpatient stays as a percentage of Medicare rates. Medicare rates are set by the Centers for Medicare & Medicaid Services (CMS), which pays a pre-determined amount established under CMS' acute care hospital Inpatient Prospective Payment System (IPPS). ORS 414.755 sets the rate for reimbursement for OHP members at 70 percent of the Medicare pre-determined rate.

In circumstances when discharge of a patient is delayed due to circumstances beyond a hospital's control, the hospital may bear costs beyond the pre-determined rate of payment for the patient's stay. This may occur when the appropriate post-acute care setting does not have the capacity to accept the patient or due to the complexity of the patient's care needs, among other factors.

Senate Bill 486 directs the Oregon Health Authority to pay a reasonable per-diem rate for Medicaid patients who remain in inpatient care due to circumstances beyond the hospital's control.