

HB 2091 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

Prepared By: Brian Nieuburt, LPRO Analyst

Meeting Dates: 2/21

WHAT THE MEASURE DOES:

Prohibits Oregon Health Authority (OHA) from requiring performance improvement plan or imposing financial penalty under Health Care Cost Growth target program until 2026. Sunsets January 2, 2027. Declares emergency, effective on passage.

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

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

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2019, the Legislative Assembly passed Senate Bill 889, establishing the Health Care Cost Growth Benchmark program in the Oregon Health Authority (OHA) to control growth of health care expenditures in the state. The health care cost growth target is a target for the annual per capita rate of growth of total health care spending in the state and applies to insurance companies, hospitals, and health care providers, with the goal of keeping health care costs in line with the pace of wage growth and the state's economy. OHA may impose performance improvement plans on payers or providers who fail to meet the cost growth target; financial penalties may also be imposed for failing to report cost growth data or failing to meet the target in multiple years. House Bill 2081 (2021) required OHA to adopt criteria for imposing financial penalties for failing to meet the cost growth target and clarified that the financial penalties cannot be imposed until 2026 for performance between 2021 and 2025.

House Bill 2091 would prohibit the Oregon Health Authority from requiring a performance improvement plan or imposing financial penalties under the Health Care Cost Growth target program until 2026.