

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2994 - 1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Modifies requirements for health insurance coverage of hearing-related items and services.

Government Unit(s) Affected:

Department of Consumer and Business Services, Oregon Health Authority

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Oregon Health Authority		
Other Funds		
Services and Supplies	\$517,750	\$690,334
Total Other Funds	\$517,750	\$690,334
Total Fiscal Impact	\$517,750	\$690,334
<i>Total Positions</i>	0	0
<i>Total FTE</i>	0.00	0.00

Analysis: HB 2994, with the -1 amendment, requires health benefit plans to reimburse, without requiring deductibles, the cost of bilateral cochlear implants to include fitting of the device and requires the health benefit plan to provide coverage regardless of whether over-the-counter items and services are available without a prescription. The measure also requires notice of grievance and appeal rights, defines “assistive listening device,” and requires benefit plans to cover ear molds and hearing device components. Coordinated care organizations are also required to provide the devices and services described in the measure to medical assistance recipients who are 18 years of age or younger.

The coverage requirements established in the measure impact public school and other employee health care coverage provided through plans offered by the Oregon Educators Benefit Board (OEBB) and Public Employees’ Benefit Board (PEBB), which are budgeted in the Oregon Health Authority (OHA) budget. The measure is anticipated to have a 0.04% premium increase on OEBB’s benefit plans due to the benefit plan changes and the removal of the deductible. This would result in an estimated \$517,750 Other Funds increase in 2023-25 and a \$690,334 Other Funds increase in 2025-27. The fiscal impact on benefits covered by PEBB is expected to be minimal. The requirement for coordinated care organizations to also provide this coverage for medical assistance recipients age 18 and under would not impact OHA’s expenditures because these services are already provided by the Oregon Health Plan for this population.

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.

The Department of Consumer and Business Services anticipates a minimal fiscal impact.