

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2446 - 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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Date: 3/10/2023

Measure Description:

Requires extension to no later than December 31, 2026, of term for contract between Oregon Health Authority and coordinated care organization.

Government Unit(s) Affected:

Oregon Health Authority

Summary of Fiscal Impact:

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

Analysis:

HB 2446-1 extends contracts between the Oregon Health Authority (OHA) and coordinated care organizations to December 31, 2028. The measure is repealed on January 2, 2029. The measure declares an emergency and is effective on passage.

Currently, OHA renews contracts with coordinated care organizations annually. This measure will have no fiscal impact to OHA for the 2023-25 biennium. However, the ramifications of this measure for 2025-27 and 2027-29 budgets are indeterminate as it is unknown if extending the time period for contracts will require any additional costs. OHA has cautioned that delaying procurement could also increase statewide community engagement costs and hinder the ability to deliver Basic Health Plan (BHP) coverage using the existing procurement structure and additional cost could be incurred for Department of Justice costs related to new procurements that would be needed for the BHP. The bill could impact changes planned for the CCO Quality Incentive Program to align the program with equity goals. If costs increase, OHA would request a rebalance.