

SB 28 -1, -2 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 4/3, 4/8

WHAT THE MEASURE DOES:

Directs the Oregon Health Authority to study health care.

Fiscal impact: Fiscal impact issued

Revenue impact: No revenue impact.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Replaces the measure. Requires health insurers to reimburse independent primary care providers at the same rate as hospital-based providers for identical services.

- Mandates equal reimbursement based on the American Medical Association's Current Procedural Terminology code system.
- Directs the Department of Consumer and Business Services (DCBS) to adopt rules identifying applicable primary care service codes.
- Establishes an annual benchmark reimbursement rate based on hospital-reported rates.
- Sets the benchmark at the highest primary care reimbursement rate reported by hospital providers in the relevant geographic market.
- Requires annual reporting of applicable codes and benchmark rates.
- Declares emergency, effective on passage.
- Directs DCBS to issue requirements no later than January 1, 2026.

-2 Replaces the measure. Requires health insurers to reimburse independent primary care providers at the same rate as hospital-based providers for identical services.

- Mandates equal reimbursement based on the American Medical Association's Current Procedural Terminology code system.
- Establishes the Primary Care Fairness Rate as a benchmark for reimbursing primary care services.
- Directs Department of Consumer and Business Services (DCBS) to adopt rules identifying applicable primary care service codes.
- Exempts policies or certificates of health insurance issued by the Public Employees' Benefit Board (PEBB) or the Oregon Educators Benefit Board (OEBB).
- Establishes annual benchmark reimbursement rate based on current primary care reimbursement rates provided by hospital primary care reimbursement rates.
- Sets the benchmark at the highest primary care reimbursement rate reported by providers in the relevant geographic market.
- Requires annual reporting of applicable codes and benchmark rates.
- Allows independent primary care providers to opt out of being reimbursed under the Primary Care Fairness Rate.
- Declares emergency, effective on passage.
- Directs DCBS to issue requirements no later than January 1, 2026.

BACKGROUND:

SB 28 -1, -2 STAFF MEASURE SUMMARY

Primary care physicians (PCPs) are physicians who practice general health care. They are typically the first person a patient with a health issue would talk to. PCPs provide preventative care, treatment of common illnesses, screening for and early detection of illnesses or conditions, management of chronic conditions, and referrals to medical specialists. PCPs may include physicians who practice family medicine, general internal medicine, pediatrics, or other similar disciplines. Between 2014 and 2019, the total number of PCPs in Oregon fell 13.1% ([The State of Primary Care](#), 2024). Much of Oregon is designated as a primary care health professional shortage area (HPSA) or a medically underserved area (MUA) as defined by the Health Resources and Services Administration (HRSA).

Senate Bill 28 -2 requires health insurers to reimburse independent primary care providers at the same rate as hospital-based providers for identical services.