

HB 4047 STAFF MEASURE SUMMARY

House Committee On Health Care

Prepared By: Alexandra Kihn-Stang, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/5, 2/12

WHAT THE MEASURE DOES:

The measure directs the Oregon Health authority to adopt rules to allow a hospital to apply for a license to operate as a rural emergency medical hospital. Takes effect on the 91st day following adjournment sine die.

Fiscal impact: May have fiscal impact, but statement not yet issued.

Revenue impact: May have revenue impact, but statement not yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Section 125 of the Consolidated Appropriations Act (2021) established the Rural Emergency Hospital (REH) designation. In November 2022, the Centers for Medicare & Medicaid Services (CMS) published a final rule for REHs as a new type of Medicare provider, establishing Conditions of Participation, payment and enrollment policies, and quality measure reporting requirements. REH Conditions of Participation align closely with those of Critical Access Hospitals (CAH). The goal of REHs is to address hospital closures and to promote health equity for rural communities by improving access to health services by providing emergency department services, observation care, and some additional outpatient services. In order to become an REH, a facility must certain criteria, including have been enrolled and certified to participate in Medicare as of December 27, 2020 and either be a CAH or operate as a rural hospital with no more than 50 beds.

There are [37](#) rural and remote hospitals in Oregon. Rural hospitals are classified based their number of beds, their proximity from another acute inpatient care facility, and their status as a referral center. Type A hospitals are those defined as small and remote with 50 or fewer beds and are more than 30 miles from another acute inpatient care facility. Type B hospital are small and rural with 50 or fewer beds and are 30 miles or less from another acute inpatient care facility.

House Bill 4074 tells the Oregon Health authority to create rules to allow a hospital to apply for a license to operate as a rural emergency medical hospital.