

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3135 - 1

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Requires medical assistance coverage of long-acting, reversible contraceptive devices during hospital stay for labor and delivery.

Government Unit(s) Affected:

Oregon Health Authority (OHA)

Analysis:

House Bill 3135 with the -1 amendment requires the Oregon Health Authority (OHA) to reimburse Oregon Health Plan (OHP) clients for the postpartum insertion of an intrauterine device or progestin implant at a rate set by OHA. To qualify, clients would need to be admitted to the hospital for labor and delivery. The bill also requires OHA to pay for the removal of this device at any time the client chooses, even if the recipient is no longer eligible for coverage under Oregon's Medicaid waiver.

The full fiscal impact of this bill is indeterminate depending on the number of clients no longer eligible for Medicaid requesting removal of the implanted device. Payment for these devices and their implantation is currently covered by OHP. However, any cost associated with removing these devices for clients no longer eligible for Medicaid must be paid entirely with General Fund moneys. Extrapolating from trends and assumptions based on programs in Colorado and South Carolina, OHA predicts the cost of device removal could reach \$80,000 General Fund in 17-19 biennium and \$170,000 General Fund in the 19-21 biennium.

The quantifiable cost of complying with this bill includes the cost of surveying an estimated 500 Medicaid women of childbearing age. The bill requires OHA to perform a 24 month study on the utilization of long acting contraceptives, collecting information on the satisfaction of eligible OHP clients with the contraceptive services available to them, CCO quality measures, and the total cost to OHA to provide these services. A report to the Legislature on the first 12 months is due July 1, 2019 and a report on the 24 month period is due July 1, 2020. OHA calculates the cost of this work to be an estimated \$50,000 General Fund per biennium. This work is eligible for federal Medicaid match.

Quantifiable Expenditure Impact:

	2017-19 Biennium	2019-21 Biennium
General Fund		
Services and Supplies	50,000	50,000
Federal Funds		
Services and Supplies	50,000	50,000
Total Funds	\$100,000	\$100,000

This bill requires budgetary action for allocation of General Fund resources.