



CEDRIC HAYDEN
STATE REPRESENTATIVE
 House District 7

HB 3467 Funding Calculation

- a) Remove OHSU from hospital tax; create new IGT program 105 million value
- b) Oregon medicaid reinsurance program 50 million value
- c) Discontinue HTTP 68 + 4 CCO Admin reduction = 72 million value
- d) Master Tobacco settlement funds increase 50 value
- e) E-Cigarette Tax toward mental health 6.8 value
- f) Cover Oregon portal funds 12.87 reallocation of 12 million to OHP
- g) Increase DRG hospital provider assessment to 5.7 % which leaves the option of .3 % increase for future Biennium 57.2 million value
- h) Add type A & B hospitals to provider assessment base at 5.5% 123 million value
- i) Cigarette tax is case load reduction sensitive

1st Year (numbers in millions)

$$(a) \quad (b) \quad (c) \quad (d) \quad (e) \quad (f) \quad (g) \quad (h) \quad (i)$$

$$287.5 = 52.5 + 50 + 72 + 25 + 3.4 + 12 + A + B + C$$

$$72.6 = A + B + C$$

When $r = 5.7$, $t = 5.5$,

$$72.6 = \{14.3(5.7-5.3)*10\} + (11.2*5.5) + (150X)$$

$$72.6 = \{14.3(.4)*10\} + 61.6 + 150X$$

$$72.6 = \{14.3*4\} + 61.6 + 150X$$

$$72.6 = 57.2 + 61.6 + 150X$$

$$15.4 = 61.6 + 150X$$

$$-46.2 = 150X$$

Over funded by 46.2 million first year which will be carried into 2nd year no cigarette tax needed

$$A = 14.3(r - 5.3)*10 \text{ where } r \geq 5.3$$

$$B = 11.2t \text{ where } 4.0 \leq t \leq 6$$

$$C = 150X \text{ where } X \text{ is in } \$$$

2nd Year (numbers in millions)

$$(a) \quad (d) \quad (e) \quad (g) \quad (h) \quad (i)$$

$$287.5 - 46.2 - Y = 52.5 + 25 + 3.4 + A + B + C$$

When $Y = 25$ (**Assuming there is a 25 million case load reduction**), $r = 5.7$, $t = 5.5$

$$287.5 - 46.2 - 25 = 52.5 + 25 + 3.4 + \{14.3(5.7-5.3)*10\} + (11.2*5.5) + 150X$$

$$216.3 = 52.5 + 25 + 3.4 + 57.2 + 61.6 + 150X$$

$$16.6 = 150X$$

.1106 = X Which is a tobacco increase of \$ 0.11 per pack

Y = Possible case load reduction from OHA report

$$A = 14.3(r - 5.3)*10 \text{ where } r \geq 5.3$$

$$B = 11.2t \text{ where } 4.0 \leq t \leq 6$$

C = 150X where X is in \$ and \$.01 increase equal 1.5 million