FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session Legislative Fiscal Office

> Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Directs Department of Human Services to increase fee-for-service rate for behavioral health providers participating in medical assistance programs.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Human Services (DHS)

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Health Care to the Joint Committee on Ways and Means.

The measure appropriates \$10,000,000 General Fund to the Oregon Health Authority to deposit into the Health Care Provider Incentive Fund to provide matching funds for loan repayment subsidies to behavioral health and addiction services providers participating in the health care provider incentive program.

In addition, the bill directs the Department of Human Services (DHS) to increase the fee-for-service rate for behavioral health providers participating in medical assistance programs by 35%. On July 1, 2021 and on July 1 of each subsequent odd-numbered year, DHS must adjust this fee-for-service rate to reflect any increase in the cost of living for the previous two years, based on the Consumer Price Index. DHS must also report to the Legislature on the impacts of this increased fee-for-service rate on patient access and outcomes.

The measure is anticipated to have an impact on the Oregon Health Authority and the Department of Human Services.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required