

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3396 - 4**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Establishes the Joint Task Force on Hospital Discharge Challenges and appropriates General Fund to the Legislative Policy and Research Committee and the Oregon Health Authority.

Government Unit(s) Affected:

Oregon Health Authority, Department of Human Services, Higher Education Coordinating Commission, Legislative Policy and Research Office

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Oregon Health Authority		
General Fund		
Personal Services	\$1,384,091	\$0
Services and Supplies	\$132,950	\$0
Special Payments	\$25,000,000	\$0
Total General Fund	\$26,517,041	\$0
<i>Positions</i>	7	0
<i>FTE</i>	5.66	0.00
Legislative Policy and Research Committee		
General Fund		
Services and Supplies	\$500,000	\$0
<i>Positions</i>	0	0
<i>FTE</i>	0.00	0.00
Total Fiscal Impact	\$27,017,041	\$0
<i>Total Positions</i>	7	0
<i>Total FTE</i>	5.66	0.00

Analysis:

HB 3396-4 replaces the introduced measure. The measure establishes the Joint Task Force on Hospital Discharge Challenges. The task force is responsible for developing recommendations to address issues with discharging patients to post-acute care settings. The task force will consist of 22 members, including a member of the Senate, a member of the House of Representatives, a representative for the Oregon Health Authority (OHA), a representative for the Department of Human Services (DHS), a representative of the Governor, and 17 members appointed by the Governor that represent a variety of health care expertise. Members of the Legislative Assembly are non-voting and serve in an advisory capacity only. Members who are not serving in the legislative

assembly will serve as volunteers and are not eligible for reimbursement. The task force is repealed on January 2, 2025.

The task force must report its recommendations for legislative changes to the interim legislative committees related to health and human services by December 15, 2023. The task force's final report is due to the interim legislative committees related to health and human services by November 15, 2024.

The measure includes the following one-time 2023-25 General Fund appropriations:

- \$500,000 General Fund to the Legislative Policy and Research Committee to provide staff and contracted support to the task force.
- \$15 million General Fund to OHA to provide grants to support clinical education at hospitals and health care facilities.
- \$5 million General Fund to OHA to provide grants to employers participating in a labor-management training trust to provide on the job training, apprenticeships and other programs that develop health care professionals.
- \$5 million General Fund to OHA to disburse to the Oregon Center for Nursing for public nursing education programs.
- \$1,517,041 General Fund to OHA to support the task force and administer the grant programs.

The measure declares an emergency and is effective upon passage.

Oregon Health Authority

The fiscal impact of the measure on OHA is \$26,517,041 General Fund and seven positions (5.66 FTE). The measure provides a one-time appropriation of \$1,517,041 General Fund to cover staff costs for supporting the task force and issuing grants and awards.

To support the task force, two positions are anticipated: one limited-duration full-time Operations and Policy Analyst 3 position (0.63 FTE) to provide policy analysis and one limited-duration full-time Research Analyst 3 position (0.63 FTE). These positions have a projected one-time cost of \$301,097 General Fund.

To award the grants listed in the measure, five limited-duration full-time positions (4.40 FTE) are anticipated. To verify grant compliance, the positions below may be required in the 2025-27 biennium which will require additional General Fund. Below are the positions and the approximate award amounts:

Support for Clinical Education

- One Operations and Policy Analyst 4 position (0.88 FTE) to serve as the clinical education specialist and provide support to health care employers, the Higher Education Coordinating Commission, labor unions and internal stakeholders. (\$256,798 General Fund)
- Two Operations and Policy Analyst 3 positions (0.88 FTE each) to serve as Clinical Practice Environment Coordinators who will support stakeholders in developing clinical education programs and monitor funding compliance. (\$445,550 General Fund)
- Approximately 1,500 clinical training slots are projected with a per slot cost of \$10,000 General Fund, for a total of \$15,000,000 General Fund.

Workforce Preparation and Development:

- One Operations and Policy Analyst 4 position (0.88 FTE) to serve as the Workforce Coordinator, providing assistance to labor unions, health care employers, and workforce development agencies to develop career pathway programs and monitoring funding compliance. (\$256,798 General Fund)
- Approximately 63 development awards are anticipated at \$80,000 each, or \$5,000,000 General Fund.

Nursing Educators Expansion

- One Operations and Policy Analyst 4 position (0.88 FTE) to serve as the Nurse Faculty Expansion Coordinator, liaise with the Oregon Center for Nursing, labor unions, and nursing education programs and monitor funding compliance. (\$256,798 General Fund)
- Approximately 100 grants estimated to be \$50,000 per grant, or \$5,000,000 General Fund, are anticipated.

At this time, OHA notes the activities directed by this measure do not appear to be eligible for federal match through Medicaid and further research is necessary to determine if federal funding can be leveraged, as intended.

Legislative Fiscal Research and Policy Office

The fiscal impact of the measure on LPRO for the 2023-25 biennium is \$500,000 General Fund, as appropriated in the measure. To assist LPRO with data collection, management, and analysis, LPRO will contract with health policy research consultants with expertise in hospital and post-acute care reimbursement payment models, workforce analysis, and federal policy regulations. Consultant costs are projected to cost \$500,000 General Fund but could increase depending on the complexity and time required. LPRO will use existing staff to support the task force, however, should the work exceed staff availability, LPRO may require additional staff and funding.

The measure has no fiscal impact on the Higher Education Coordinating Commission or the Department of Human Services.