

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Capital Construction Subcommittee

From: Kim To, Legislative Fiscal Office

Date: June 9, 2023

Subject: HB 3396 – Relating to health care
Work Session Recommendations

HB 3396 with the -4 amendment establishes the 22-member Joint Task Force on Hospital Discharge Challenges responsible for developing recommendations to address the challenges faced by hospitals in discharging patients to appropriate post-acute care settings, including streamlining and reducing barriers to training, education, licensure and certification for all classifications of nurses and nursing assistants for work in post-acute care settings. The Legislative Policy and Research Office (LPRO) is required to provide staffing to the Task Force. The measure allows LPRO to contract with third parties to support the work of the Task Force. The Oregon Health Authority and the Oregon Department of Human Services are directed to provide data and policy analysis to the Task Force. The Task Force is required to report its recommendations for legislative changes to an interim committee of the Legislature by December 15, 2023, and its final report by November 15, 2024. The Task Force sunsets on January 2, 2025. The measure appropriates \$500,000 General Fund to LPRO to support the work of the Task Force.

In addition, the measure also appropriates, on a one-time basis, a total of \$25 million General Fund to the Oregon Health Authority (OHA) for the following purposes:

1. \$15 million to provide grants to support clinical education at hospitals and health care facilities.
2. \$5 million to provide grants to employers participating in a labor-management trust to expand on-the-job training, apprenticeship opportunities and other programs that support the development of health care professionals, including medical technicians, certified nursing assistants, and phlebotomists.
3. \$5 million to disburse to the Oregon Center for Nursing to work with the State's nursing education programs, including the nursing programs at the Oregon Health and Science University (OHSU) and Oregon's community colleges, to develop programs to recruit and retain nurse educators at public institutions of higher education.

The measure provides, on a onetime basis, \$1,517,041 General Fund for OHA to support the Task Force and to administer the health care workforce development grants required by the measure.

In addition, the bill provides, on a onetime basis, \$500,000 General Fund for LPRO to support of the task force. LPRO anticipates contracting with health policy research consultants with expertise in hospital and post-acute care reimbursement payment models, workforce analysis, and federal policy regulations.

The full fiscal impact statement for the -4 amendment is on OLIS. The fiscal impact statement does note that OHA reports that at this time, 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. If it is found that federal funding is available, OHA will request limitation at a future rebalance.

Recommended Changes

The -4 amendment replaces the original measure as discussed above. LFO recommends adoption of the -4 amendment.

MOTION: I move adoption of the dash 4 amendment to HB 3396. (VOTE)

The -1 amendment extends existing contracts between the Oregon Health Authority and a coordinated care organization to December 31, 2026. Under current practice, OHA renews contracts with coordinated care organizations annually. This amendment will have minimal fiscal impact to OHA for the 2023-25 biennium. There is a minimal fiscal impact statement on OLIS. LFO recommends adoption of the -1 amendment.

MOTION: I move adoption of the dash 1 amendment to HB 3396. (VOTE)

Final Subcommittee Action

LFO recommends that HB 3396, as amended by the -1 and -4 amendments, be moved to the Ways and Means Full Committee.

MOTION: I move HB 3396, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____