



Legislative Fiscal Office
 82nd Oregon Legislative Assembly
 2024 Regular Session

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Bill Title: Relating to health care; prescribing an effective date.

Government Unit(s) Affected: Oregon Health Authority, Department of Consumer and Business Services, Board of Dentistry

<Revised to add Federal Funds in the 2025-27 table and include updated information from the Board of Dentistry.>

Summary of Fiscal Impact

2023-25 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 9,926,680	\$ -	\$ 425,052	\$ 7,674,124	\$ 18,025,856	2	1.00
Total Fiscal Impact	\$ 9,926,680	\$ -	\$ 425,052	\$ 7,674,124	\$ 18,025,856	2	1.00

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 7,841,671	\$ -	\$ 1,345,137	\$ 15,348,247	\$ 24,535,055	2	2.00
Total Fiscal Impact	\$ 7,841,671	\$ -	\$ 1,345,137	\$ 15,348,247	\$ 24,535,055	2	2.00

- The estimated fiscal impact assumes the funding established for grants or contracts is provided on a one-time basis.

Measure Description

The measure requires health benefit plan insurers to reimburse the cost of cervical cancer examinations and may not impose a deductible, coinsurance, or out-of-pocket expense. The measure requires medical assistance to provide continuous glucose monitors for eligible individuals. The provisions regarding cervical cancer examination and continuous glucose monitor apply on or after the effective date of this act.

The measure requires dental laboratories to register with the Health Licensing Office (HLO) budgeted within the Oregon Health Authority (OHA); failure to register with HLO is a Class B violation. The measure prescribes the application process and minimum eligibility requirements. The measure also permits HLO to collect application fees. HLO is granted the authority to impose discipline for violations of the measure and discusses the process for contested cases. The measure repeals ORS 679.530 which applies to information regarding oral prosthetic devices.

OHA is appropriated \$5 million General Fund to provide grants to the Oregon Center for Nursing to develop recruitment and retainment programs for nurse educators. OHA is appropriated \$1 million General Fund to contract with the Mental Health and Addiction Certification Board of Oregon to increase recruitment and retention of behavioral health care providers. The Board is authorized to distribute funds or payments. OHA may require a report from the board on the distribution of funds.

The measure establishes the Harm Reduction Clearinghouse Project within OHA to make bulk purchases of harm reduction supplies.

Fiscal Analysis

The fiscal impact of the measure is \$9,926,680 General Fund, \$425,052 Other Funds, \$7,674,124 Federal Funds and two positions (1.88 FTE) for the 2023-25 biennium.

Eliminating the cost sharing for cervical cancer examinations will impact the premiums for employee health plans offered by the Public Employees' Benefit Board (PEBB) and Oregon Educators Benefit Board (OEBB), which are housed in the Oregon Health Authority (OHA). While the health care coverage offered in each program is budgeted as Other Funds, the corresponding revenue largely comes from the premiums paid by state agencies and universities for PEBB's plans and the K-12 school system for OEBB's plans. State agencies finance PEBB's premium payments from the revenue streams available in their budgets, including the General Fund.

Based on input provided by PEBB's and OEBB's actuaries, premiums for plans offered by both boards will increase by an estimated average of .03% under the measure. For PEBB, this increase would result in additional costs of \$192,867 Other Funds in 2023-25, and \$771,468 Other Funds in 2025-27. For OEBB, the premium increase would result in additional costs of \$204,860 Other Funds in 2023-25, and \$546,294 Other Funds in 2025-27.

The measure requires OHA to include continuous glucose monitoring for Oregon Health Plan (OHP) Recipients who qualify. Currently OHA estimates 55% of OHP recipients qualify for this coverage. Based on this caseload, the estimated costs to Coordinated Care Organizations (CCO) is \$3,322,358 General Fund and \$6,976,476 Federal Funds. Additionally, fee-for-services (FFS) costs are estimated to be 10% of CCO's total cost or \$332,236 General Fund and \$697,648 Federal Funds.

HLO estimates the dental laboratory registration program will result in 120 new registrations with an application fee of \$200 and the license to cost an additional \$150. Annually HLO will assess a renewal fee of \$150. HLO distributes costs for health-related boards proportionally based on the number of registrants, to account for this cost distribution, services and supplies and consultation with the Department of Justice, an estimated \$27,325 Other Funds will be required. In the 2025-27 biennium, HLO anticipates revenue from the board will cover administrative costs.

The one-time appropriation of \$5 million General Fund will be used for OHA's existing Oregon Center for Nursing program. As this is an existing program and just expands the funds available, OHA can absorb the work with existing staff.

No additional positions costs are required to assist with the Mental Health and Addiction Certification Board contract, the fiscal impact of this provision is the \$1 million General Fund appropriation.

Additional positions are required to support the Harm Reduction Clearinghouse project. These two permanent-full time positions (1.00 FTE) will focus on creating equity in the distribution of harm reduction supplies, managing the distribution of supplies, evaluating outcomes at a cost of \$272,086 General Fund.

The measure has a minimal fiscal impact on the Department of Consumer and Business Services and the Board of Dentistry.

Relevant Dates

The measure takes effect on the 91st day after sine die.