



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

Prepared by: MaryMichelle Sosne
Reviewed by: Emily Coates, Matt Stayner
Date: March 29, 2025

Bill Title: Relating to naturopathic physicians.

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

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ -	\$ -	\$ 3,933,524	\$ -	\$ 3,933,524	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Total Fiscal Impact	\$ -	\$ -	\$ 3,933,524	\$ -	\$ 3,933,524	-	-

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ -	\$ -	\$ 6,401,679	\$ -	\$ 6,401,679	-	-
Total Fiscal Impact	\$ -	\$ -	\$ 6,401,679	\$ -	\$ 6,401,679	-	-

- 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.

Measure Description

The measure requires health benefit plans to reimburse a naturopathic physician at the same rate as a physician, physician assistant, or nurse practitioner if the service is within their scope of practice. The measure applies to health benefit plans or certificates issued, renewed, or extended on or after January 1, 2026

Fiscal Analysis

The expansion of coverage for health benefit plans may be considered a new mandate under the Patient Protection and Affordable Care Act. This Act requires states to offset the cost of required benefits for plans issued through the health insurance marketplace. Federal guidance does not clarify whether these offsets must be paid out of the General Fund or from other state funds such as marketplace assessment funds. If coverage of these services is considered a new mandate, the bill may have a fiscal impact for the state.

Changes to the list of required services that health benefit plans must cover 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.

Currently, naturopath services are covered by PEBB and OEBC, but the reimbursement rate is different than physicians, physician assistants, and nurse practitioners. For PEBB, the increase in reimbursement rates for naturopathic physicians would result in additional costs of \$3.1 million Other Funds in 2025-27, and \$4.1 million Other Funds in 2027-29. For OEBC, the increase in reimbursement rates for naturopathic physicians would result in additional costs of \$867,736 Other Funds in 2025-27, and \$2.3 million Other Funds in 2027-29. The measure will apply to health insurance plans issued, renewed, or extended by PEBB on or after January 1, 2026, and to OEBC plans issued, renewed, or extended on or after October 1, 2026.

There is no fiscal impact for the Department of Consumer and Business Services.

Relevant Dates

The measure takes effect on January 1, 2026.

The measure will apply to health insurance plans issued, renewed, or extended by PEBB on or after January 1, 2026, and to OEBC plans issued, renewed, or extended on or after October 1, 2026.