



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

Prepared by: MaryMichelle Sosne
Reviewed by: Matt Stayner
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Bill Title: Relating to provider enrollment in the medical assistance program; prescribing an effective date.

Government Unit(s) Affected: Oregon Health Authority

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 1,151,952	\$ -	\$ -	\$ 3,810,500	\$ 4,962,452	2	1.42
Total Fiscal Impact	\$ 1,151,952	\$ -	\$ -	\$ 3,810,500	\$ 4,962,452	2	1.42
2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 490,833	\$ -	\$ -	\$ 1,472,500	\$ 1,963,333	-	-
Total Fiscal Impact	\$ 490,833	\$ -	\$ -	\$ 1,472,500	\$ 1,963,333	-	-

- The table does not include duplicate Other Funds necessary to budget for expenses through the agency's Shared Services budget structure.

Measure Description

The measure requires Oregon Health Authority (OHA) to expedite the enrollment process for new medical assistance providers by using separate workflows to process the initial application, administrative changes, credentialing changes and approval errors. The measure appropriates an unspecified amount of General Fund for temporary staffing to reduce the processing time for provider enrollment applications to 14 days. OHA must assess the feasibility of creating an automated online tool for enrolling providers in the medical assistance program and submit their findings and recommendations to the legislature by December 15, 2026.

Coordinated Care Organizations (CCOs) are required to approve or deny a provider's request to contract with the CCO as an in-network provider within 30 days after receiving a complete application. This requirement applies to contracts entered into, amended, or renewed on the effective date of the measure. The measure takes effect on the 91st day after sine die.

Fiscal Analysis

The fiscal impact of the measure is \$5.4 million total funds and two limited duration positions (1.42 FTE) this total includes duplicate Other Funds expenditure limitation as described below. Although the measure provides an unspecified amount of funding for temporary staff to reduce application processing time to 14 days, OHA reports additional staffing will not reduce the processing time as intended. OHA reports the only way to reduce the processing time is updating the Medicaid Management Information System (MMIS). While these upgrades will provide a temporary solution, OHA intends to investigate the matter more closely through the required feasibility study. To upgrade the system, OHA will contract with an outside vendor, this vendor will implement

and maintain the upgrades to MMIS. The estimated cost for this contract is \$3.8 million total funds in 2025-27, decreasing to \$2 million total funds in 2027-29 for maintenance and support. OHA will also contract for the feasibility study; costs are estimated to be \$650,000 total funds. Additionally, OHA will need two limited duration positions, one information security specialist 8 position to develop the request for proposal and work alongside the contractor and one information security specialist 7 position to conduct the feasibility study with the contracted vendor and compile the report. The cost for these positions is \$485,863 total funds and \$475,785 Other Funds limitation necessary to budget for these positions' personal services and position-related services and supplies costs, excluding assessments and fees, through the Shared Services budget structure.

Relevant Dates

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

OHA must submit its report to the legislature by July 1, 2025.