



Legislative Fiscal Office  
83<sup>rd</sup> Oregon Legislative Assembly  
2025 Regular Session

Prepared by: MaryMichelle Sosne  
Reviewed by: Matt Stayner, Emily Coates, Amanda Beitel  
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**Bill Title:** Relating to public health testing; prescribing an effective date.

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

### Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 4,527,844	\$ -	\$ 3,489,455	\$ -	\$ 8,017,299	3	2.00
<b>Total Fiscal Impact</b>	<b>\$ 4,527,844</b>	<b>\$ -</b>	<b>\$ 3,489,455</b>	<b>\$ -</b>	<b>\$ 8,017,299</b>	<b>3</b>	<b>2.00</b>
2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Oregon Health Authority	\$ 4,653,034	\$ -	\$ 3,806,678	\$ -	\$ 8,459,712	3	2.50
<b>Total Fiscal Impact</b>	<b>\$ 4,653,034</b>	<b>\$ -</b>	<b>\$ 3,806,678</b>	<b>\$ -</b>	<b>\$ 8,459,712</b>	<b>3</b>	<b>2.50</b>

- 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 the Oregon Health Authority (OHA) to establish a pilot program that allow hospitals to screen eligible individuals for hepatitis C, human immunodeficiency virus, and syphilis. Participation in the program is voluntary; however, the measure requires a minimum of three hospitals to participate. Health plan providers that reimburse hospitals who participate in the pilot program must also reimburse the costs of testing. Upon completion of the program, but prior to September 15, 2029, OHA must submit a report on the findings and outcomes of the pilot program to the legislature. The pilot program and health plan coverage requirements are repealed on January 2, 2030.

Additionally, the measure provides a \$4 million General Fund appropriation to OHA in the 2025-27 biennium, which may be distributed to counties to cover the costs of conducting additional investigation and outreach.

### Fiscal Analysis

The fiscal impact of the measure for OHA is \$8 million total funds and three permanent positions (2.00 FTE) in the 2025-27 biennium and \$8.5 million total funds and three permanent positions (2.50 FTE) in the 2027-29 biennium.

Of the total impact in 2025-27, \$4 million General Fund is intended for counties to offset the costs for additional investigations and outreach. Additionally, \$3.5 million Other Funds is associated with increases to the Public

Employees' Benefit Boards (PEBB) and the Oregon Educators' Benefit Board (OEBB).

OHA will require three permanent positions (2.00 FTE) to support the pilot program, new positions include one full-time Program Analyst 3 position to administer the pilot program including recruiting hotels, developing interagency agreements with hospitals and completing the report to the legislature, one full-time Program Analyst 2 position to process the increased volume of lab tests and, one part-time Operations and Policy Analyst 3 position to develop a data system for tests results from the program and assist hospitals with data transfer. The cost for these positions, including personal services and position-related services and supplies costs is \$527,884 General Fund.

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.

Of the carriers contracted by PEBB and OEBB, Kaiser Permanente indicated the measure would have no fiscal impact to premiums or prescription costs, Providence has an indeterminate fiscal impact and is dependent on the hospitals that choose to participate, and Moda anticipates a 0.2% increase due to increased utilization. For PEBB, this increase would result in additional costs of \$994,005 Other Funds in 2025-27, and \$1 million Other Funds in 2027-29. For OEBB, the premium increase would result in additional costs of \$2.5 million Other Funds in 2025-27, and \$2.7 million Other Funds in 2027-29.

The measure has no fiscal impact on the Department of Consumer and Business Services and counties do not expect an impact above the amount covered by the appropriation in the measure.

**Relevant Dates**

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

OHA must report findings and outcomes to the legislature by September 15, 2029

The pilot program and provisions regarding health plan coverage are repealed January 2, 2030.