



Legislative Fiscal Office
83rd Oregon Legislative Assembly
2025 Regular Session

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Bill Title: Relating to the practice of health care; declaring an emergency.

Government Unit(s) Affected: Bureau of Labor and Industries, Department of Justice, Oregon Health Authority, Criminal Justice Commission, Department of Consumer and Business Services, Oregon Medical Board, District Attorneys, Department of Corrections, Judicial Department

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Consumer and Business Services	\$ 958,223	\$ -	\$ -	\$ -	\$ 958,223	4	3.52
Total Fiscal Impact	\$ 958,223	\$ -	\$ -	\$ -	\$ 958,223	4	3.52

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Consumer and Business Services	\$ 1,093,024	\$ -	\$ -	\$ -	\$ 1,093,024	4	4.00
Total Fiscal Impact	\$ 1,093,024	\$ -	\$ -	\$ -	\$ 1,093,024	4	4.00

Measure Description

The measure requires the Department of Consumer and Business Services (DCBS) to review, and if eligible, approve transactions between a professional medical entity and a domestic insurer with a principal place of business in Oregon provided the insurer was organized before January 1, 2025. In reviewing these transactions, DCBS must consider the criteria outlined in ORS 732.574 relating to transactions within a holding company, assess whether the transaction will benefit Oregonians, and determine if the transaction will affect the medical entity's decision making or quality of care. The provisions of the measure are effective January 1, 2026, for newly formed management services organizations and professional medical entities in Oregon and January 1, 2029, for existing management services organizations and professional medical entities.

Fiscal Analysis

Department of Consumer and Business Services

The estimated fiscal impact is \$958,223 General Fund for the 2025-27 biennium to support four positions (3.52 FTE). The fiscal impact increases to \$1,093,024 General Fund to reflect a full biennium of costs for the four positions (4.00 FTE).

DCBS is primarily an Other Funds agency with all revenue dedicated to specific programs. The measure establishes a new program within the agency without a dedicated funding source; therefore, any costs associated with the program will require General Fund.

For the 2025-27 biennium, the new positions include one permanent full-time Actuary position (0.88 FTE) to conduct actuarial analysis, evaluate insurance values and serve as a technical consultant, two permanent full-

time Insurance Examiners (1.76 FTE) to conduct in-depth reviews, suggest recommendations, and provide front-line support to stakeholders, and one Administrative Specialist (0.88 FTE) to provide program administrative support, including monitoring transactions to ensure reviews are completed within required time frame, responding to questions received regarding the process and procedures, and managing the non-disapproved contracts.

Additionally, DCBS may require additional General Fund resources for legal fees, depending on the complexity of contracts and the number of contracts that require review by the Department of Justice.

Other Entities

The measure has a minimal fiscal impact on the Oregon Judicial Department, and Department of Justice. The measure has no fiscal impact on District Attorneys or the remaining state agencies.

Relevant Dates

The measure declares an emergency and takes effect on passage.

The measure is effective January 1, 2026, for newly formed management services organizations and professional medical entities in Oregon and January 1, 2029, for existing management services organizations and professional medical entities.