

## HOUSE AMENDMENTS TO HOUSE BILL 2010

By COMMITTEE ON BEHAVIORAL HEALTH AND HEALTH CARE

February 14

1 On page 1 of the printed bill, line 2, after the first semicolon delete the rest of the line and  
2 delete lines 3 through 6 and insert “creating new provisions; amending ORS 243.135, 291.055,  
3 317A.100, 414.853, 414.855, 414.871, 414.884, 415.500, 731.292, 731.509 and 731.840 and sections 12, 13  
4 and 14, chapter 736, Oregon Laws 2003, sections 4, 8 and 48, chapter 538, Oregon Laws 2017, and  
5 section 19, chapter 2, Oregon Laws 2019; repealing ORS 414.871, 414.880, 414.882, 414.884 and 414.902  
6 and sections 2, 3, 4, 5, 6, 7 and 8, chapter 538, Oregon Laws 2017; and prescribing an effective  
7 date.”.

8 On page 10, after line 24, insert:

9 “**SECTION 11a.** ORS 414.853 is amended to read:

10 “414.853. As used in ORS 414.853 to 414.869 and 414.900:

11 “(1) ‘Charity care’ means costs for providing inpatient or outpatient care services free of charge  
12 or at a reduced charge because of the indigence or lack of health insurance of the patient receiving  
13 the care services.

14 “(2) ‘Contractual adjustments’ means the difference between the amounts charged based on the  
15 hospital’s full established charges and the amount received or due from the payor.

16 “(3)(a) ‘Hospital’ means a hospital licensed under ORS chapter 441.

17 “(b) ‘Hospital’ does not include:

18 “(A) Special inpatient care facilities;

19 “(B) Hospitals that provide only psychiatric care;

20 “(C) Pediatric specialty hospitals providing care to children at no charge; and

21 “(D) Public hospitals other than hospitals created by health districts under ORS 440.315 to  
22 440.410.

23 “(4) ‘Net **inpatient** revenue’:

24 “(a) Means the total amount of charges for inpatient [*or outpatient*] care provided by the hospital  
25 to patients, less charity care, bad debts and contractual adjustments;

26 “(b) Does not include revenue derived from sources other than inpatient [*or outpatient*] oper-  
27 ations, including but not limited to interest and guest meals; and

28 “(c) Does not include any revenue that is taken into account in computing a long term care fa-  
29 cility assessment under ORS 409.800 to 409.816 and 409.900.

30 “(5) ‘Net **outpatient** revenue’:

31 “(a) Means the total amount of charges for outpatient care provided by the hospital to  
32 patients, less charity care, bad debts and contractual adjustments;

33 “(b) Does not include revenue derived from sources other than outpatient operations,  
34 including but not limited to interest and guest meals; and

35 “(c) Does not include any revenue that is taken into account in computing a long term

1 **care facility assessment under ORS 409.800 to 409.816 and 409.900.**

2 “[5] (6) ‘Type A hospital’ has the meaning given that term in ORS 442.470.

3 “[6] (7) ‘Type B hospital’ has the meaning given that term in ORS 442.470.

4 “**SECTION 11b.** ORS 414.855 is amended to read:

5 “414.855. (1) An assessment is imposed on the net **inpatient** revenue **and net outpatient re-**  
6 **venue** of each hospital in this state. The assessment shall be imposed at a rate determined by the  
7 Director of the Oregon Health Authority by rule that is the director’s best estimate of the rate  
8 needed to fund the services and costs identified in ORS 414.869. The rate of assessment shall be  
9 imposed on the net **inpatient** revenue **and net outpatient revenue** of each hospital subject to as-  
10 sessment. The director shall consult with representatives of hospitals before setting the assessment.

11 “(2) Each assessment shall be reported on a form prescribed by the Oregon Health Authority  
12 and shall contain the information required to be reported by the authority. The assessment form  
13 shall be filed with the authority on or before the 45th day following the end of the calendar quarter  
14 for which the assessment is being reported. Except as provided in subsection (5) of this section, the  
15 hospital shall pay the assessment at the time the hospital files the assessment report. The payment  
16 shall accompany the report.

17 “(3)(a) To the extent permitted by federal law, aggregate assessments imposed under this section  
18 may not exceed the total of the following amounts received by the hospitals that are reimbursed by  
19 Medicare based on diagnostic related groups:

20 “(A) 30 percent of payments made to the hospitals on a fee-for-service basis by the authority for  
21 inpatient hospital services;

22 “(B) 41 percent of payments made to the hospitals on a fee-for-service basis by the authority for  
23 outpatient hospital services; and

24 “(C) Payments made to the hospitals using a payment methodology established by the authority  
25 that advances the goals of the Oregon Integrated and Coordinated Health Care Delivery System  
26 described in ORS 414.570 (3).

27 “(b) Notwithstanding paragraph (a) of this subsection, aggregate assessments imposed under this  
28 section on or after July 1, 2015, may exceed the total of the amounts described in paragraph (a) of  
29 this subsection to the extent necessary to compensate for any reduction of funding in the  
30 legislatively adopted budget for hospital services under ORS 414.591, 414.631 and 414.688 to 414.745.

31 “(c) The director may impose a lower rate of assessment on type A hospitals and type B hospi-  
32 tals to take into account the hospitals’ financial position.

33 “**(d) The director may adopt different rates of assessment for net inpatient revenue and**  
34 **net outpatient revenue.**

35 “(4) Notwithstanding subsection (3) of this section, a hospital is not guaranteed that any addi-  
36 tional moneys paid to the hospital in the form of payments for services shall equal or exceed the  
37 amount of the assessment paid by the hospital.

38 “(5)(a) The authority shall develop a schedule for collection of the assessment for [*the*] **each**  
39 calendar quarter [*ending September 30, 2021, that will result in the collection occurring between De-*  
40 *cember 15, 2021, and the time all Medicaid cost settlements are finalized for that calendar quarter*].

41 “(b) The authority shall prescribe by rule criteria for late payment of assessments.

42 “**SECTION 11c.** ORS 414.871 is amended to read:

43 “414.871. ORS 414.853 to 414.869 and 414.900 apply to net **inpatient** revenues **and net outpa-**  
44 **tient revenues** earned by hospitals during a period beginning July 1, 2019, and ending the earlier  
45 of [*September 30, 2025*] **December 31, 2032**, or the date on which the assessment no longer qualifies

1 for federal financial participation under Title XIX or XXI of the Social Security Act.”.

2 On page 11, after line 5, insert:

3  
4 **“OREGON HEALTH AND SCIENCE**  
5 **UNIVERSITY REIMBURSEMENT**

6  
7 **“SECTION 15a.** Section 19, chapter 2, Oregon Laws 2019, is amended to read:

8 **“Sec. 19.** (1) The amendments to section 41, chapter 538, Oregon Laws 2017, by section 17,  
9 **chapter 2, Oregon Laws 2019, [of this 2019 Act]** apply to reimbursement paid to the Oregon Health  
10 and Science University by the Oregon Health Authority on or after July 1, 2019, but before July 1,  
11 [2025] **2032.**

12 **“(2)** The amendments to section 41, chapter 538, Oregon Laws 2017, by section 18, **chapter 2,**  
13 **Oregon Laws 2019, [of this 2019 Act]** apply to reimbursement paid to the university by the authority  
14 on or after July 1, [2025] **2032.”.**

15 On page 22, line 42, delete “17 to 22” and insert “16 to 21”.