

Requested by Representative FAHEY

**PROPOSED AMENDMENTS TO
HOUSE BILL 2010**

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

9 On page 10, after line 24, insert:

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

11 “414.853. As used in ORS 414.853 to 414.869 and 414.900:

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

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

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

19 “(b) ‘Hospital’ does not include:

20 “(A) Special inpatient care facilities;

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

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

3 “(D) Public hospitals other than hospitals created by health districts un-
4 der ORS 440.315 to 440.410.

5 “(4) ‘Net **inpatient** revenue’:

6 “(a) Means the total amount of charges for inpatient [*or outpatient*] care
7 provided by the hospital to patients, less charity care, bad debts and con-
8 tractual adjustments;

9 “(b) Does not include revenue derived from sources other than inpatient
10 [*or outpatient*] operations, including but not limited to interest and guest
11 meals; and

12 “(c) Does not include any revenue that is taken into account in computing
13 a long term care facility assessment under ORS 409.800 to 409.816 and
14 409.900.

15 “(5) ‘Net **outpatient** revenue’:

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

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

22 “(c) Does not include any revenue that is taken into account in
23 computing a long term care facility assessment under ORS 409.800 to
24 409.816 and 409.900.

25 “[5] (6) ‘Type A hospital’ has the meaning given that term in ORS
26 442.470.

27 “[6] (7) ‘Type B hospital’ has the meaning given that term in ORS
28 442.470.

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

30 “414.855. (1) An assessment is imposed on the net **inpatient** revenue **and**

1 **net outpatient revenue** of each hospital in this state. The assessment shall
2 be imposed at a rate determined by the Director of the Oregon Health Au-
3 thority by rule that is the director’s best estimate of the rate needed to fund
4 the services and costs identified in ORS 414.869. The rate of assessment shall
5 be imposed on the net **inpatient revenue and net outpatient revenue** of
6 each hospital subject to assessment. The director shall consult with repre-
7 sentatives of hospitals before setting the assessment.

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

15 “(3)(a) To the extent permitted by federal law, aggregate assessments im-
16 posed under this section may not exceed the total of the following amounts
17 received by the hospitals that are reimbursed by Medicare based on diag-
18 nostic related groups:

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

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

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

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

1 to 414.745.

2 “(c) The director may impose a lower rate of assessment on type A hos-
3 pitals and type B hospitals to take into account the hospitals’ financial po-
4 sition.

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

7 “(4) Notwithstanding subsection (3) of this section, a hospital is not
8 guaranteed that any additional moneys paid to the hospital in the form of
9 payments for services shall equal or exceed the amount of the assessment
10 paid by the hospital.

11 “(5)(a) The authority shall develop a schedule for collection of the as-
12 sessment for [*the*] **each** calendar quarter [*ending September 30, 2021, that will*
13 *result in the collection occurring between December 15, 2021, and the time all*
14 *Medicaid cost settlements are finalized for that calendar quarter*].

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

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

18 “414.871. ORS 414.853 to 414.869 and 414.900 apply to net **inpatient** reve-
19 nues **and net outpatient revenues** earned by hospitals during a period be-
20 ginning July 1, 2019, and ending the earlier of [*September 30, 2025*]
21 **December 31, 2032**, or the date on which the assessment no longer qualifies
22 for federal financial participation under Title XIX or XXI of the Social Se-
23 curity Act.”.

24 On page 11, after line 5, insert:

25

26 **“OREGON HEALTH AND SCIENCE**

27 **UNIVERSITY REIMBURSEMENT**

28

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

1 “**Sec. 19.** (1) The amendments to section 41, chapter 538, Oregon Laws
2 2017, by section 17, **chapter 2, Oregon Laws 2019**, [*of this 2019 Act*] apply
3 to reimbursement paid to the Oregon Health and Science University by the
4 Oregon Health Authority on or after July 1, 2019, but before July 1, [2025]
5 **2032**.

6 “(2) The amendments to section 41, chapter 538, Oregon Laws 2017, by
7 section 18, **chapter 2, Oregon Laws 2019**, [*of this 2019 Act*] apply to re-
8 imbursement paid to the university by the authority on or after July 1,
9 [2025] **2032**.”.

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

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