

Bill #4003 / LC91 Amendment: Plain Language

Summary: Amends state law to align with federal law and guidance around determining OHP benefits based on medical necessity and removes references to ranking and funding of the prioritized list. Keeps the prioritized list terminology as guiding medical necessity. Includes recommendations from the BUP workgroup on implementation and engagement related to this work.

Statute	What Amendment Does
ORS 414.025	Amends definition of health services to ensure coverage of federally mandatory services and remove references to funded portion of the list
ORS 414.065	<ul style="list-style-type: none">• Amends OHA authority to determine OHP benefits in alignment with federal laws governing mandatory and optional benefits• Grants OHA rulemaking authority around defining medical necessity and medical criteria and defining the role of the prioritized list in determining benefits, including in hearings and appeals processes and opportunities for individual medical review.
ORS 414.690	Updates the prioritized list to no longer be a ranking by comparative benefit, but rather a determination of benefits based on medical necessity to align with federal rules and CMS guidance
ORS 414.701	Removes ranking of services to align with federal law and CMS guidance
ORS 414.735	<ul style="list-style-type: none">• Removes ranking of services to align with federal law and guidance• Adds workgroup recommendation to require OHA to consult with HERC before significant OHP benefit reductions
ORS 414.325	Removes references to funded portion of the line, replaces with as defined on the list
ORS 414.698	Replaces stakeholders, with parties
ORS 414.780	Replaces funded services on the list with medically necessary services as guided by the list

ORS 415.500	Defines services are what is medically necessary guided by the list and as defined by OHA
ORS 741.340	Adds medically necessary to define which services are covered
Section 14	Based on Workgroup Recommendations: <ul style="list-style-type: none"> • OHA required to study: <ul style="list-style-type: none"> ○ How OHA and CCOs will make coverage determinations based on the list ○ Places for alignment between FFS and CCOs ○ Feasibility of HERC developing not medically necessary code groups
Section 16	Based on Workgroup Recommendations: <ul style="list-style-type: none"> • Requires OHA to: <ul style="list-style-type: none"> ○ Ensure list and other docs by HERC easily accessible on website ○ Provide technical assistance to members, providers, CCOs about this technical change ○ Direct HERC to look at whether utilization data can inform the list ○ Consult with OAFA to review data for 2028 CCO rates and report back to MAC, QHOC, pharmacy CCO meeting, BAC.
Section 17	Repeals section 16 as of 1/2/2029
Section 18	Declares an operative date of 1/12027 and gives OHA and the HERC authority to take action to implement by that date
Section 19	Declares an emergency and sets an immediate effective date upon passage.