

HB 4040 -3, -6, -7, -8, -10, -11, -13, -14, -15, -16, -17, -19, -21, -27

STAFF MEASURE SUMMARY

House Committee On Health Care

Prepared By: Alexandra Kihn-Stang, LPRO Analyst

Meeting Dates: 2/5, 2/10, 2/12

WHAT THE MEASURE DOES:

The measure makes changes to hospital presumptive eligibility screening requirements, specifies when home health agencies are subject to Centers for Medicare and Medicaid Services requirements, specifies how data from the Residential Care Quality Measurement Program must be published, modifies education requirements for residential care facility administrators, permits the Oregon Health Authority (OHA) to enroll eligible individuals in prerelease benefits, modifies prior authorization requirements for complex rehabilitation technology, makes changes to administrative requirements for the Health Evidence Review Commission, modifies requirements for the Medicaid Advisory Committee, allows a parent provider to serve as a direct support professional or personal support worker, directs OHA to adopt rules related to dental care organizations, permits dental students from out of state to rotate in Oregon, prohibits insurers from placing time limits on anesthesiology, creates protections for dental providers, creates a template for review of proposed health insurance mandates, repeals provisions from Senate Bill 1529 (2022), makes changes to requirements for Pharmacy Services Administrative Organizations, makes changes to the Prescription Drug Affordability Board, makes changes to psilocybin facilitator program, amends scope of practice for naturopathic physicians, makes changes to provider types that can see Worker's Compensation patients after 180 days.

Detailed Summary:

- **Hospitals (Section 1)**
 - Makes changes to screening requirements for determining presumptive eligibility for financial assistance by increasing the minimum amount the patient owes the hospital from \$500 to \$1500 for a single encounter.
- **Home Health and Residential Care (Section 2 – 6)**
 - **Private Duty Nursing (Section 2)**
 - Specifies that home health agencies are not subject to Centers for Medicare and Medicaid Services (CMS) requirements unless the agency is certified by CMS.
 - **Residential Care Quality Measurement Program (Section 3)**
 - Clarifies how data from the Oregon Department of Human Services Residential Care Quality Measurement Program must be published.
 - **Residential Care Facility Administrators (Section 4 – 6)**
 - Specifies that a residential care facility administrator may have a bachelor's degree in any field, rather than only a health or social service- related field.
- **Medical Assistance (Section 7 – 13)**
 - **Medicaid Carceral Transitions (Section 7)**
 - Permits OHA to enroll an eligible person in prerelease benefits.
 - **Complex Rehabilitation Technology Repairs (Section 8)**
 - Prohibits OHA or a coordinated care organization from requiring prior authorization for the repair of complex rehabilitation technology if the repair costs \$1500 or less. Sets a 72 hour timeline for the approval or denial of prior authorization requests for repairs costing more than \$1500.
 - **Health Evidence Review Commission (Section 9)**

- Requires OHA to post a complete public agenda for a meeting of the Health Evidence Review Commission at least 14 days in advance of a meeting and prohibits agenda changes after posting. Directs OHA to provide written public testimony to commission members within 48 hours of the close of the public comment period.
 - **Medicaid Advisory Committee** (Section 10 – 13)
 - Makes changes to requirements for the composition of the Medicaid Advisory Committee.
- **Parent Providers** (Section 14)
 - Allows a parent provider to be employed as a direct support professional or a personal support worker, directs the Oregon Department of Human Services to adopt rules that require comparable pay for parent providers employed as personal support workers and direct support professionals.
- **Dental** (Section 15 – 17)
 - **DCO Patient Choice** (Section 15)
 - Directs OHA to adopt rules that allow coordinated care organization (CCO) members choice in selecting an oral health provider and allows providers to inform CCO members about provider choice.
 - **Out of State Dental Students** (Section 16 – 17)
 - Allows dental students from accredited dental schools to rotate in Oregon.
- **Commercial Health Insurance** (Section 18 – 36)
 - **Anesthesia Time Limits** (Section 18 – 20)
 - Requires commercial insurance plans to cover medically necessary anesthesia services without restricting coverage based on the duration of services.
 - **Dental Protections Parity** (Section 21 – 26)
 - Creates protections for dental providers related to dental insurance, including: establishing a timeline for dental insurers to respond to dental claims, prohibiting certain contract provisions, establishes requirements for when dental insurers may request a refund from a dental provider, and requires direct payments for covered services.
 - **Health Insurance Mandate Review Advisory Committee** (Section 27 – 29)
 - Directs the Legislative Policy and Research Office (LPRO) to create a pilot program to evaluate proposed health insurance mandates and report findings to the Legislative Assembly.
 - **Automatic Primary Care Assignment Repeal** (Section 13a, 30 – 36)
 - Repeals provision from Senate Bill 1529 (2022) that mandated the automatic assignment of primary care providers.
- **Pharmacy** (Section 37 – 39)
 - **Pharmacy Services Administrative Organizations** (Section 37)
 - Modifies statute established through House Bill 3226 (2025).
 - **Prescription Drug Affordability Board** (Section 38 – 39)
 - Allows the Governor to appoint the Chair of the Prescription Drug Affordability Board.
- **Psilocybin** (Section 40 – 43)
 - Allows a psilocybin facilitators that completed an approved training in another state to practice in Oregon. Adds physical therapists and occupational therapists to become licensed as psilocybin facilitators.
- **Naturopathic Physicians** (Section 44 – 48)
 - Allows naturopathic physicians to prescribe durable medical equipment, gives naturopathic physicians hospital admitting privileges, and lowers the age for a naturopathic physician to obtain a retired status license.
- **Worker’s Compensation Reclassification of Physician Associates and Nurse Practitioners** (Section 49 – 65)
 - Allows physician associates and nurse practitioners to continue seeing worker’s compensation patients beyond 180 days without referring to an attending physician.

Fiscal impact: May have fiscal impact, but statement not yet issued.

Revenue impact: May have revenue impact, but statement not yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

- 3 Anesthesia Time Limits (Section 18). Adds an effective date of January 1, 2027.
- 6 Residential Care Quality Measurement Program (Section 3). Removes provision.
- 7 New provision. Modifies language in existing statute related to prosthetic and orthotic devices.
- 8 Naturopathic Physicians (Sections 45-48). Removes provision allowing hospital admitting privileges, increases retirement age from 60 to 65.
- 10 Health Insurance Mandate Review (Sections 27-29). Makes changes to introduced version of the provision.
- 11 Automatic Primary Care Assignment Repeal (Section 13a, 30-36). Removes Section 13a. Revises provision to only apply to ORS 743B.221.
- 13 Parent Providers (Section 14). Removes pay parity requirement.
- 14 New provision. PDAB. Modifies requirement requiring identification of one insulin product as creating affordability challenges.
- 15 HERC (Section 9). Makes changes to provision as introduced.
- 16 Psilocybin (Section 40). Modifies language around approved training programs.
- 17 Private Duty Nursing (Section 2). Removes Provision.
- 19 Worker's Compensation (Sections 49-65). Makes changes to provision as introduced.
- 21 DCO Choice (Section 15). Makes changes to provision as introduced.
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 - Adds a new provision to the measure as introduced.
 - Removes prohibition on OHA requiring prior authorization for mental health drugs that meet specified criteria.
 - Directs OHA to reimburse the cost of a mental health drug prescribed to a medical assistance recipient when federal financial participation in the cost of the drug is available.

BACKGROUND:

House Bill 4040 is an omnibus bill that makes changes to hospital presumptive eligibility screening requirements, specifies when home health agencies are subject to Centers for Medicare and Medicaid Services requirements, specifies how data from the Residential Care Quality Measurement Program must be published, modifies education requirements for residential care facility administrators, permits the Oregon Health Authority (OHA) to enroll eligible individuals in prerelease benefits, modifies prior authorization requirements for complex rehabilitation technology, makes changes to administrative requirements for the Health Evidence Review Commission, modifies requirements for the Medicaid Advisory Committee, allows a parent provider to serve as a direct support professional or personal support worker, directs OHA to adopt rules related to dental care organizations, permits dental students from out of state to rotate in Oregon, prohibits insurers from placing time limits on anesthesiology, creates protections for dental providers, creates a template for review of proposed health insurance mandates, repeals provisions from Senate Bill 1529 (2022), makes changes to requirements for Pharmacy Services Administrative Organizations, makes changes to the Prescription Drug Affordability Board, makes changes to psilocybin facilitator program, amends scope of practice for naturopathic physicians, makes changes to provider types that can see Worker's Compensation patients after 180 days.