

Secretary of State
STATEMENT OF NEED AND FISCAL IMPACT

A Notice of Proposed Rulemaking Hearing or a Notice of Proposed Rulemaking accompanies this form.

Oregon Health Authority, Health Policy & Analytics

409

Agency and Division

Administrative Rules Chapter Number

Changes to hospital community benefit reporting and creation of minimum community benefit spending floor program

Rule Caption (Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.)

In the Matter of: **The amendment of 409-023**

Need for the Rule(s):

HB 3076 (2019) created new reporting requirements for hospitals and their affiliated clinics and created the hospital minimum community benefit spending floor program. Newly created provisions will be incorporated into the existing community benefit reporting program rules. Rules will focus on technical specifications for reporting hospital-affiliated clinics, as required by HB 3076, and on development of a methodology to apply minimum spending floors for hospitals and their affiliated clinics. Other housekeeping edits are proposed to update out-of-date language and statute citations.

Documents Relied Upon, and where they are available:

ORS Chapter 442 information is available at https://www.oregonlegislature.gov/bills_laws/ors/ors442.html. Proposed changes to OAR 409-023 is available on the agency's website at <https://www.oregon.gov/OHA/HPA/Pages/Rulemaking.aspx>.

Fiscal and Economic Impact:

There is no cost to hospitals due to rule changes, though the minimum community benefit spending floors may require some hospitals to increase community benefit spending.

Statement of Cost of Compliance:

1. Impact on state agencies, units of local government and the public (ORS 183.335(2)(b)(E)):

Current staffing will develop and launch the program.

2. Cost of compliance effect on small business (ORS 183.336): **none.**

a. Estimate the number of small businesses and types of business and industries with small businesses subject to the rule:

Rule amendments apply to hospitals, health systems and their affiliated clinics.

b. Projected reporting, record keeping, and other administrative activities required for compliance, including costs of professional services: **Hospitals may experience slight increases in administrative burden to comply with new reporting requirements above current requirements to report community benefit activities. Hospitals will be required to supply additional information relating to hospital-affiliated clinics and how community benefit spending aligns with community health needs assessments. OHA does not expect additional reporting requirements will require facilities to expand staff.**

c. Equipment, supplies, labor and increased administration required for compliance:

Increased labor to report additional information regarding hospital-affiliated clinics and how community benefit activities relate to community health needs assessments.

How were small businesses involved in the development of this rule?

Rule amendments affected Oregon hospitals. Hospitals, hospital trade associations and additional public stakeholders were invited to participate in the rules advisory committee.

Administrative Rule Advisory Committee consulted?: **Yes.**

If not, why?:

Signature

Printed name

Date

Administrative Rules Unit, Archives Division, Secretary of State, 800 Summer Street NE, Salem, Oregon 97310. ARC 925-2007