AOC ASSOCIATION OF OREGON COUNTIES

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From: Tim Dooley

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Re: HB 3243 (2025) Rules Advisory Committee Comments

The Association of Oregon Counties (AOC), representing Oregon's county governments, appreciates the opportunity to offer comments regarding the draft rules to implement HB 3243 (2025). As you know, counties have the statutory responsibility to develop ambulance service area plans, and by administrative rule, have oversight responsibilities for emergency medical services (EMS) systems. Consequently, the rate setting and balance billing provisions in this proposed rule are of significant interest to counties.

AOC believes that the draft rules reviewed by the rules advisory committee are a good first step in implementing this legislation and we only have minor comments to improve this rule.

Rate Reporting and Insurance payments to providers

Ground Ambulance Service Organizations (GASO) are both public and private sector providers. Local governments that contract with private GASOs set rates by contract, with provisions for review and adjustment of rates over the life of the contract. Local governments that operate GASOs usually adjust their rates annually as part of their larger fee structures. That analysis and rate setting occurs during the budget development process in the spring, with rates going into effect July 1, the beginning of the local fiscal year.

¹ ORS 682.062, OAR 333-260-000 et seq

Because of that mid-calendar year rate development for local governments, and the requirement that insurers pay the current locally established rate at all times, AOC requests that DCBS incorporate language requiring insurers to access the DCBS rate database monthly, and if the rates in the insurer's database are not current, to back-pay the updated rate to providers within 30 business days of the rate being updated in the database.

Local governments set rates based upon the cost of delivering services, and a delay from July to January would mean half a year of costs would be unrecoverable, which defeats the purpose of the legislation, which is to require insurers to pay providers their actual costs incurred. AOC believes that this is a reasonable companion to requirement in rule and statute that GASOs update DCBS within 5 *calendar* days of a local rate change.

Mutual aid definition and rate charged

AOC is supportive of the inclusion of a definition of mutual aid. We believe that the GASO that provides the service should be able to charge their rate for services, as they have incurred the cost to travel outside their ASA, sometimes at great time and distance for frontier and rural counties, which deprives their ASA of an ambulance resource.

AOC suggests the following definition of *mutual aid*, which is adapted from the definitions of mutual aid and automatic aid found in the Federal Emergency Management Agency's *National Incident Management System Guideline for Mutual Aid*²:

- (a) an ambulance transport by a ground ambulance services organization that originated outside their designated ambulance service area; and
- (b) is requested, or subject to an agreement between ground ambulance service providers for reciprocal services

Rate Analysis

Counties, as instrumentalities of the state, have authority to enact ordinances by either statute or charter. The county fee schedule is such an ordinance and indeed, is one that requires allowing for public comment.³ HB 3243 (2025) requires that the defined "established local rate" be set through a "publicly accessible process that includes an analysis of the cost to provide the grand ambulance services". AOC believes that the rate

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² FEMA NIMS Guideline for Mutual Aid (November 2017)

³ ORS 294.160

setting process, whether set by ordinance alone, or conducted as part of the local budget development process, which also includes review by a budget committee equally split between elected officials and citizens, provides ample opportunity for public input and scrutiny of the fiscal analysis. Local governments do not need to subject their analysis to a further level of review or specification from state agencies who may not be familiar with the particular needs and considerations of a local jurisdiction. Creating additional administrative burdens for local government, especially in rural and frontier areas with limited capacity and under existing financial strain, is not the intent of this legislation.

Timeline for repayment

AOC supports OSAA's request to change the timeline for repayment of excess payments to 60 days. As OSAA noted, it is administratively difficult to process payments for many districts for a variety of reasons, but particularly related to timelines of board meetings to approve payments and limited fiscal staff capacity. Many smaller counties and special districts have limited fiscal staff who can handle financial transactions, and if that sole clerk is on vacation or medical leave, it can strain the ability of the agency to handle transactions.

The Association of Oregon Counties appreciates the opportunity to participate in this rules advisory committee and appreciates your consideration. Please feel free to reach out to me if you have any questions.

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⁴ ORS 294.414(2)