]74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session MEASURE: HB 2850 CARRIER:

STAFF MEASURE SUMMARY

House Committee on Health Care

REVENUE: May have revenue impact, statement not yet issued FISCAL: May have fiscal impact, statement not yet issued

Without Recommendation as to Passage and Be Referred to the Committee on Ways and Means Action:

by prior reference

Vote: 9 - 0 - 0

> Bonamici, Bruun, Cannon, Flores, Gelser, Kotek, Maurer, Richardson, Greenlick Yeas:

Nays: Exc.: 0

Prepared By: Sandy Thiele Cirka, Administrator **Meeting Dates:** 3/21 (Access sub), 4/30 (Full)

WHAT THE MEASURE DOES: Requires Department of Human Services (DHS), in cooperation with public health authorities, to identify and list all private and public health care providers qualified and willing to provide health care to children. Establishes Kids' Network as a repository for the list of providers, and requires DHS to publicize and distribute list. Requires DHS to analyze list to identify underserved areas of state and to analyze each county's infrastructure and most cost effective system to serve children. Requires DHS to reimburse providers on list at Medicaid fee-for-service rate for primary care assistance for children who would have otherwise qualified for medical assistance under Oregon Health Plan. Requires DHS to pay primary care providers on list who are not participating in child's OHP managed care plan at Medicaid fee-for-service rates. Establishes that payments constitute full payments for all primary care services and that the measure applies to all private and public providers. Prohibits health insurance policies from excluding payment or reimbursements to primary care providers on list. Applies provisions of Act to only four counties identified by DHS.

ISSUES DISCUSSED:

- Importance of public health nurse home visiting services
- Role in the primary care delivery system
- The measure in coordination with Healthy Kids Initiative
- Concerns with possible reduction of providers
- Benefits of collaboration versus competition
- Proposed amendment

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: There are currently 390,000 adults and children receiving health care services under the state's medical assistance programs, which are typically referred to as Oregon Health Plan (OHP). Most recipients are in OHP Plus or OHP Standard, depending on the person's age or other eligibility criteria. There are 15 managed care organizations (MCO) throughout the state that serve approximately 75 percent of all OHP clients. These MCOs, often referred to as fully-capitated health plans, receive a set payment per month for each person enrolled. OHP clients not enrolled in a MCO usually receive health care on a fee-for-service basis, meaning the state reimburses providers a set rate for each service provided.