A-Engrossed
House Bill 3097

Ordered by the House May 8
Including House Amendments dated May 8

Sponsored by COMMITTEE ON HEALTH CARE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[*Creates Task Force on Health Care Services to study and make recommendations regarding long-term viability of health services provided to Oregonians.*]

[*Appropriates moneys from General Fund to Office for Oregon Health Policy and Research for purposes of providing services to task force.*]

Creates Primary Care Home Collaborative Demonstration Program in Department of Human Services for purpose of awarding grants to demonstration projects containing one or more specified elements. Establishes procedures for awarding grants and describes responsibilities of department and grantees.

Establishes Primary Care Home Collaborative Demonstration Fund. Appropriates moneys to department for purpose of administering and providing grants under program.

Declares emergency, effective July 1, 2007.

A BILL FOR AN ACT

Relating to health care; appropriating money; and declaring an emergency.

Whereas despite sustained efforts at the federal and state levels, too many people in Oregon remain without access to appropriate health care; and

Whereas the number of small business employees who are uninsured is increasing at an alarming rate; and

Whereas without a health home, many low-income and other vulnerable populations are left to inefficiently navigate a fragmented treatment system that fails to support their long-term well-being; and

Whereas the current health care system in the United States is unsustainable due to rising costs and an increasing number of uninsured individuals; and

Whereas the number of visits to hospital emergency rooms continues to grow, and a significant number of these visits are for nonurgent or preventable conditions; and

Whereas the health care system is fragmented, access to care is episodic and relationships between patients and providers are strained; and

Whereas current systems for financing primary care emphasize 10- to 15-minute office visits and fail to support patient-centered care that could improve patients' health status and lower overall costs to the broader health care system; and

Whereas in recent years, numerous collaborative community-based organizations and health care safety net clinics have emerged around the state to address health care concerns at a local level and, through innovation and public-private collaboration, have demonstrated great success and show even greater promise in improving health care access for local residents; and

Whereas enhancement and support of the development of collaborative community-based organ-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

izations and those working at the local level in pursuit of health delivery system reform will increase access to and the delivery of efficient health care for Oregon residents; and

Whereas a primary care home:

(1) Is designed to link each patient to a personal health care provider who works with a team of health professionals;

(2) Offers timely and convenient access, either directly or by referral, to a full spectrum of medical, mental health and dental primary care services, including preventive, acute, integrated behavioral health and chronic care management services;

(3) Requires health professionals to work in partnership with patients to identify health goals and to share responsibility for achieving the goals;

(4) Requires each personal health care provider to facilitate a care plan that recognizes the broad social context in which a patient lives and that addresses barriers to maintaining a healthy lifestyle, such as homelessness, behavioral health issues and limited access to healthful foods;

(5) Includes personal health care providers trained to serve patients in a culturally competent manner; and

(6) Allows patients to easily navigate and access the broader health care system and social or educational services, and may provide patients with transportation and other services that improve access to care; and

Whereas redesign of the health care delivery system and expanding access are important to ensure a more efficient, patient-centered health care system with better health outcomes, especially for the uninsured and the underinsured; now, therefore,

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) The Primary Care Home Collaborative Demonstration Program is created in the Department of Human Services for the purpose of awarding grants to:

(a) Create incentives for community-based organizations to increase access to appropriate, affordable and efficiently delivered health care for Oregon residents, with particular attention paid to low-income uninsured and Medicaid populations;

(b) Test elements of the primary care home model that are tailored to individual and community needs; and

(c) Support community health collaboratives that integrate primary care and the primary care home model with the broader health system.

(2) To be awarded a grant under the Primary Care Home Collaborative Demonstration Program, a demonstration project must contain one or more of the following elements of the primary care home model:

(a) Development of a community health collaborative that includes but is not limited to a local county health department, community health centers, rural health clinics, Indian health clinics, community-based clinics, private practice clinics, hospitals, specialists and school-based health service clinics;

(b) Improved medical, nursing and social case management services, improved access to medical treatment or improved integration of various health services;

(c) Guaranteed access to primary and preventive care and wellness services;

(d) Facilitated access to necessary specialty and hospital care;

(e) Efficient and timely case management that is both population-based and patient-centered, for managing chronic diseases and behavioral health;

(f) Coordinated comprehensive care for the populations served;

(g) Collaboration among providers to reduce inappropriate emergency department usage and encourage more cost-effective access points to the health system;

(h) Coordination of information sharing among various providers in communities;

(i) A model of care that maximizes a team approach to patient-centered care, such as care management, same-day access, telephone or electronic mail advice consultations and home visits;

(j) Expansion of the role for nursing services in the delivery of primary care including but not limited to care coordination, telephone outreach, school-based health, home visits, telephone triage and clinical case management;

(k) Coordination with local prepaid managed care health services organizations to ensure payment for services to recipients of medical assistance and coordination with the department to design programs and services that will maximize the potential for federal matching dollars;

(L) Coordination with local health insurers and systems; or

(m) Implementation of strategies designed to hold patients accountable for adhering to the patients' health goals.

(3) The department shall award no fewer than 20 grants to demonstration projects throughout the state that support organizations and programs of differing sizes and scales and that serve different populations, based upon the following criteria:

(a) Grantees must be public or private entities with expertise in health care delivery. A primary care provider with a demonstrated commitment to serving both Medicaid populations and individuals without health insurance must have a role in each demonstration project.

(b) Grant awards must be based upon the extent to which a demonstration project includes the elements of the primary care home model described in subsection (2) of this section and shall also reflect the extent to which:

(A) Grantees identify the geographic region to be served by the demonstration project and demonstrate the ability to expand the model to additional populations or service areas;

(B) Demonstration projects integrate health care services so that more patient needs may be addressed in a single visit or contact, as appropriate;

(C) Demonstration projects emphasize the development of patient relationships and patient-centered services;

(D) Demonstration projects facilitate outreach and enrollment efforts designed to connect uninsured, eligible adults and children with publicly funded health programs including but not limited to the state medical assistance program and the Family Health Insurance Assistance Program;

(E) Programs operated within the demonstration project make efficient and cost-effective use of available funds through administrative simplification and improvements in the structure and operation of the health care delivery system;

(F) Grantees demonstrate the ability to impact cost or health outcomes positively in the short term, particularly for patients with chronic conditions, and to provide preventive services for long-term results;

(G) Demonstration projects utilize matching funds or resources given the strengths and limitations of the grantee's geographic location and other circumstances, based upon standards adopted by the department by rule in consultation with an advisory committee con-

vened in accordance with ORS 183.333;

(H) Demonstration projects contain an evaluation component that accurately measures the demonstration project's impact on the cost and quality of and access to health care and that monitors these measures;

(I) Grantees demonstrate how the structure and operation of the grantee organization reflects the interests of, and is accountable to, the surrounding geographic region;

(J) Demonstration projects ensure primary care access for a significant portion of the target area's low-income uninsured population; or

(K) Grantees plan for the development of an adequate provider capacity to meet a substantial portion of the health care needs of the uninsured and Medicaid populations.

(4) A grant awarded under this section shall be for a period of not less than two years and not more than seven years, contingent upon available funding.

SECTION 2. (1) The Department of Human Services shall establish a learning collaborative in which each grantee under the Primary Care Home Collaborative Demonstration Program created under section 1 of this 2007 Act will participate in order to expand knowledge of what works and does not work, and to encourage dissemination of information to other communities.

(2) The department shall appoint an advisory body for the Primary Care Home Collaborative Demonstration Program that includes representation from safety net providers, groups such as the Oregon Health Policy Commission and the Office of Rural Health, and individuals with knowledge regarding community health collaboratives, delivery system alternatives, cultural competence, health disparities and other related subject areas.

SECTION 3. Notwithstanding the criteria set forth in section 1 of this 2007 Act, the Department of Human Services must award not fewer than two grants under the Primary Care Home Collaborative Demonstration Program to demonstration projects designed to meet the following isolated rural health care access goals:

(1) Preservation of access to local health services in rural areas through short-term support of vulnerable rural health care providers.

(2) Incentives for the development of long-term sustainable approaches to providing improved health care services and increased access to quality health care in rural areas.

(3) Collaborative approaches that sustain access to quality rural health care.

(4) Expanded or sustained health care for financially and physically vulnerable rural populations.

SECTION 4. (1) The Department of Human Services shall require a grantee of the Primary Care Home Collaborative Demonstration Program created under section 1 of this 2007 Act to submit progress reports to the department every six months demonstrating that the grantee is satisfactorily serving the goals of the program and tracking identified baseline measures.

(2) The department may adopt rules or policies to facilitate and support demonstration projects including but not limited to:

(a) Procedures to ease and speed the billing process;

(b) Rules or procedures to simplify the forms and contracting process for grants under the Primary Care Home Collaborative Demonstration Program, including reducing forms and contracts to fewer than 10 pages and complying with recognized standards for readability;

(c) Rules to ensure that grantee clinics or providers are compensated at least for an in-

itial visit when seeing insured patients;

(d) Rules to ensure that covered services are reimbursed at not less than the current Medicare reimbursement rate for Medicare or commercially insured patients and not less than the current Medicaid reimbursement rate for medical assistance recipients; or

(e) Policies designed to maximize the receipt of Medicaid and other federal matching funds.

SECTION 5. (1) The Department of Human Services shall work with interested stakeholders to determine a reimbursement methodology that accurately compensates for the value of the expanded role for nursing services in demonstration projects containing the primary care home model elements described in section 1 (2)(j) of this 2007 Act.

(2) Grantees shall be encouraged to provide payment or reimbursement for nursing services provided to uninsured patients through the demonstration projects.

(3) Grantees may elect, in the grant application, to receive reimbursement from the department for nursing services provided by grantees to medical assistance recipients in a demonstration project. Grantees that select this option must collect data on the services and report the data collected as prescribed by the department.

(4) The department shall evaluate the impact of reimbursing nursing services upon access and cost to the Oregon Health Plan.

SECTION 6. (1) The Department of Human Services shall seek any federal waivers necessary for the implementation of sections 1 to 5 of this 2007 Act.

(2) The department shall explore options for obtaining federal approval of a waiver of provisions of the federal Emergency Medical Treatment and Active Labor Act to permit a hospital participating in a demonstration project to redirect patients from emergency room services to co-located urgent care services.

SECTION 7. The Primary Care Home Collaborative Demonstration Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Primary Care Home Collaborative Demonstration Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Department of Human Services for the purpose of administering and providing grants under the Primary Care Home Collaborative Demonstration Program created under section 1 of this 2007 Act.

SECTION 8. There is appropriated to the Primary Care Home Collaborative Demonstration Fund, for the biennium beginning July 1, 2007, out of the General Fund, the amount of $_____ for the purpose of carrying out the provisions of sections 1 to 5 of this 2007 Act.

SECTION 9. This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect July 1, 2007.
