

# Senate Bill 756

Sponsored by Senator METSGER

## 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 **as introduced**.

Prohibits prepaid managed care health services organizations that contract with Department of Human Services to provide health care services from excluding nurse practitioners from panels of service providers.

## A BILL FOR AN ACT

1  
2 Relating to nurse practitioners eligibility to provide services under prepaid managed care health  
3 services contracts; amending ORS 414.725.

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

5 **SECTION 1.** ORS 414.725 is amended to read:

6 414.725. (1)(a) Pursuant to rules adopted by the Department of Human Services, the department  
7 shall execute prepaid managed care health services contracts for health services funded by the  
8 Legislative Assembly. The contract must require that all services are provided to the extent and  
9 scope of the Health Services Commission's report for each service provided under the contract. The  
10 contracts are not subject to ORS chapters 279A and 279B, except ORS 279A.250 to 279A.290 and  
11 279B.235. Notwithstanding ORS 414.720 (8), the rules adopted by the department shall establish  
12 timelines for executing the contracts described in this paragraph.

13 (b) It is the intent of ORS 414.705 to 414.750 that the state use, to the greatest extent possible,  
14 prepaid managed care health services organizations to provide physical health, dental, mental health  
15 and chemical dependency services under ORS 414.705 to 414.750.

16 (c) The department shall solicit qualified providers or plans to be reimbursed for providing the  
17 covered services. The contracts may be with hospitals and medical organizations, health mainte-  
18 nance organizations, managed health care plans and any other qualified public or private prepaid  
19 managed care health services organization. The department may not discriminate against any con-  
20 tractors that offer services within their providers' lawful scopes of practice.

21 (2) The department may institute a fee-for-service case management system or a fee-for-service  
22 payment system for the same physical health, dental, mental health or chemical dependency services  
23 provided under the health services contracts for persons eligible for health services under ORS  
24 414.705 to 414.750 in designated areas of the state in which a prepaid managed care health services  
25 organization is not able to assign an enrollee to a person or entity that is primarily responsible for  
26 coordinating the physical health, dental, mental health or chemical dependency services provided to  
27 the enrollee. In addition, the department may make other special arrangements as necessary to in-  
28 crease the interest of providers in participation in the state's managed care system, including but  
29 not limited to the provision of stop-loss insurance for providers wishing to limit the amount of risk  
30 they wish to underwrite.

31 (3) As provided in subsections (1) and (2) of this section, the aggregate expenditures by the de-

**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.

1 partment for health services provided pursuant to ORS 414.705 to 414.750 may not exceed the total  
2 dollars appropriated for health services under ORS 414.705 to 414.750.

3 (4) Actions taken by providers, potential providers, contractors and bidders in specific accord-  
4 ance with ORS 414.705 to 414.750 in forming consortiums or in otherwise entering into contracts to  
5 provide health care services shall be performed pursuant to state supervision and shall be consid-  
6 ered to be conducted at the direction of this state, shall be considered to be lawful trade practices  
7 and may not be considered to be the transaction of insurance for purposes of the Insurance Code.

8 (5) Health care providers contracting to provide services under ORS 414.705 to 414.750 shall  
9 advise a patient of any service, treatment or test that is medically necessary but not covered under  
10 the contract if an ordinarily careful practitioner in the same or similar community would do so un-  
11 der the same or similar circumstances.

12 (6) A prepaid managed care health services organization shall provide information on contacting  
13 available providers to an enrollee in writing within 30 days of assignment to the health services  
14 organization.

15 (7) Each prepaid managed care health services organization shall provide upon the request of  
16 an enrollee or prospective enrollee annual summaries of the organization's aggregate data regarding:

17 (a) Grievances and appeals; and

18 (b) Availability and accessibility of services provided to enrollees.

19 (8) A prepaid managed care health services organization may not limit enrollment in a desig-  
20 nated area based on the zip code of an enrollee or prospective enrollee.

21 **(9) A prepaid managed care health services organization may not exclude nurse practi-**  
22 **tioners practicing within the scope of their licensure from panels of health practitioners**  
23 **providing services to patients under the contract with the Department of Human Services.**

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