

**A-Engrossed**  
**Senate Bill 456**

Ordered by the Senate May 5  
Including Senate Amendments dated May 5

Sponsored by COMMITTEE ON HEALTH CARE AND VETERANS' AFFAIRS (at the request of Oregon Health Fund Board)

**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.

Establishes [*Oregon Integrated Health Home Program*] **patient centered primary care home program** in Office for Oregon Health Policy and Research to [*establish standards for certification of integrated health care practice as integrated health home and to establish collaborative to exchange information about quality improvement and best practices*] **define core attributes of patient centered primary care home, to establish process to identify patient centered primary care homes that meet core attributes and to develop uniform quality measures and policies related to patient centered primary care homes.** Requires [*Administrator of Office for Oregon Health Policy and Research*] **Director of Human Services** to appoint advisory committee.

[*Requires*] **Authorizes** Department of Human Services to provide reimbursement for [*integrated health*] **patient centered primary care** home services in medical assistance program.

Creates Statewide Health Improvement Program to develop goals for reduction of chronic disease factors and implement strategy to achieve goals.

Requires department to collaborate with health insurers and purchasers of health plans to develop strategies to reward publicly funded health plan enrollees for receiving care in line with [*Statewide Health Improvement Program*] **patient centered primary care home program and to develop, test and evaluate community-based strategies that enhance specified services provided by patient centered primary care homes in underserved communities.**

Appropriates moneys to department for Statewide Health Improvement Program.

Declares emergency, effective July 1, 2009.

**A BILL FOR AN ACT**

1  
2 Relating to health care; appropriating money; and declaring an emergency.

3       Whereas strong primary health systems have been found to improve health outcomes and quality  
4 and to reduce overall health system costs; and

5       Whereas the Oregon Health Fund Board was tasked with developing a comprehensive health  
6 reform plan for Oregon and found that the state's primary care health system is severely faltering  
7 and must be revitalized as part of any sustainable reform plan; and

8       Whereas primary care is most effective when a single team of providers is responsible for pro-  
9 viding coordinated primary care, defined as comprehensive and coordinated primary care that en-  
10 compasses a range of prevention and disease management services; and

11       Whereas the Oregon Health Fund Board found that the patient centered primary care home, also  
12 known as the patient centered medical home and health care home, can best deliver a patient cen-  
13 tered approach that can manage chronic disease, address acute illnesses and provide effective pre-  
14 vention. The model is characterized by established and continuous relationships with patients,  
15 team-based care, whole person orientation, coordinated and integrated care, improved quality and  
16 safety, enhanced access and payment policies that recognize the value to patients of services pro-  
17 vided under this model; now, therefore,

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

2 **SECTION 1. (1) There is established in the Office for Oregon Health Policy and Research**  
3 **the patient centered primary care home program. Through this program, the office shall:**

4 (a) **Define core attributes of the patient centered primary care home to promote a rea-**  
5 **sonable level of consistency of services provided by patient centered primary care homes in**  
6 **this state. In defining core attributes related to ensuring that care is coordinated, the office**  
7 **shall focus on determining whether these patient centered primary care homes offer com-**  
8 **prehensive primary care, including prevention and disease management services;**

9 (b) **Establish a simple and uniform process to identify patient centered primary care**  
10 **homes that meet the core attributes defined by the office under paragraph (a) of this sub-**  
11 **section;**

12 (c) **Develop uniform quality measures that build from nationally accepted measures and**  
13 **allow for standard measurement of patient centered primary care home performance;**

14 (d) **Develop uniform quality measures for acute care hospital and ambulatory services**  
15 **that align with the patient centered primary care home quality measures developed under**  
16 **paragraph (c) of this subsection; and**

17 (e) **Develop policies that encourage the retention of, and the growth in the numbers of,**  
18 **primary care providers.**

19 (2)(a) **The Director of Human Services shall appoint an advisory committee to advise the**  
20 **office in carrying out subsection (1) of this section.**

21 (b) **The director shall appoint to the advisory committee 15 individuals who represent a**  
22 **diverse constituency and are knowledgeable about patient centered primary care home de-**  
23 **livery systems and health care quality.**

24 (c) **Members of the advisory committee are not entitled to compensation, but may be**  
25 **reimbursed for actual and necessary travel and other expenses incurred by them in the**  
26 **performance of their official duties in the manner and amounts provided for in ORS 292.495.**  
27 **Claims for expenses shall be paid out of funds appropriated to the office for the purposes of**  
28 **the advisory committee.**

29 (d) **The advisory committee shall use public input to guide policy development.**

30 (3) **The office will also establish, as part of the patient centered primary care home pro-**  
31 **gram, a learning collaborative in which state agencies, private health insurance carriers,**  
32 **third party administrators and patient centered primary care homes can:**

33 (a) **Share information about quality improvement;**

34 (b) **Share best practices that increase access to culturally competent and linguistically**  
35 **appropriate care;**

36 (c) **Share best practices that increase the adoption and use of the latest techniques in**  
37 **effective and cost-effective patient centered care;**

38 (d) **Coordinate efforts to develop and test methods to align financial incentives to support**  
39 **patient centered primary care homes;**

40 (e) **Share best practices for maximizing the utilization of patient centered primary care**  
41 **homes by individuals enrolled in medical assistance programs, including culturally specific**  
42 **and targeted outreach and direct assistance with applications to adults and children of racial,**  
43 **ethnic and language minority communities and other underserved populations;**

44 (f) **Coordinate efforts to conduct research on patient centered primary care homes and**  
45 **evaluate strategies to implement the patient centered primary care home to improve health**

1 status and quality and reduce overall health care costs; and

2 (g) Share best practices for maximizing integration to ensure that patients have access  
3 to comprehensive primary care, including preventative and disease management services.

4 (4) The Legislative Assembly declares that collaboration among public payers, private  
5 health carriers, third party purchasers and providers to identify appropriate reimbursement  
6 methods to align incentives in support of patient centered primary care homes is in the best  
7 interest of the public. The Legislative Assembly therefore declares its intent to exempt from  
8 state antitrust laws, and to provide immunity from federal antitrust laws, the collaborative  
9 and associated payment reforms designed and implemented under subsection (3) of this sec-  
10 tion that might otherwise be constrained by such laws. The Legislative Assembly does not  
11 authorize any person or entity to engage in activities or to conspire to engage in activities  
12 that would constitute per se violations of state or federal antitrust laws including, but not  
13 limited to, agreements among competing health care providers or health carriers as to the  
14 prices of specific levels of reimbursement for health care services.

15 (5) The office may contract with a public or private entity to facilitate the work of the  
16 learning collaborative described in subsection (3) of this section and may apply for, receive  
17 and accept grants, gifts, payments and other funds and advances, appropriations, properties  
18 and services from the United States, the State of Oregon or any governmental body or  
19 agency or from any other public or private corporation or person for the purpose of estab-  
20 lishing and maintaining the collaborative.

21 **SECTION 2.** (1) As funds are available, the Department of Human Services may provide  
22 reimbursement in the state's medical assistance program for services provided by patient  
23 centered primary care homes. If practicable, efforts to align financial incentives to support  
24 patient centered primary care homes for enrollees in medical assistance programs should be  
25 aligned with efforts of the learning collaborative described in section 1 (3)(d) of this 2009 Act.

26 (2) The department may reimburse patient centered primary care homes for interpretive  
27 services provided to people in the state's medical assistance programs if interpretive services  
28 qualify for federal financial participation.

29 (3) The department shall require patient centered primary care homes receiving these  
30 reimbursements to report on quality measures described in section 1 (1)(c) of this 2009 Act.

31 **SECTION 3.** (1) The Department of Human Services, in collaboration with health insurers  
32 and purchasers of health plans including the Public Employees' Benefit Board, the Oregon  
33 Educators Benefit Board and other members of the patient centered primary care home  
34 learning collaborative and the patient centered primary care home program advisory com-  
35 mittee, shall:

36 (a) Develop, test and evaluate strategies that reward enrollees in publicly funded health  
37 plans for:

38 (A) Receiving care through patient centered primary care homes that meet the core at-  
39 tributes established in section 1 of this 2009 Act;

40 (B) Seeking preventative and wellness services;

41 (C) Practicing healthy behaviors; and

42 (D) Effectively managing chronic diseases.

43 (b) Develop, test and evaluate community-based strategies that utilize community health  
44 workers to enhance the culturally competent and linguistically appropriate health services  
45 provided by patient centered primary care homes in underserved communities.

1       **(2) The department shall focus on patients with chronic health conditions in developing**  
2 **strategies under this section.**

3       **(3) The department, in collaboration with the Public Employees' Benefit Board and the**  
4 **Oregon Educators Benefit Board, shall establish uniform standards for contracts with health**  
5 **benefit plans providing coverage to public employees to promote the provision of patient**  
6 **centered primary care homes, especially for enrollees with chronic medical conditions, that**  
7 **are consistent with the uniform quality measures established by the Office for Oregon Health**  
8 **Policy and Research under section 1 (1)(c) of this 2009 Act.**

9       **(4) The standards established under subsection (3) of this section may direct health ben-**  
10 **efit plans to provide incentives to primary care providers who serve vulnerable populations**  
11 **to partner with health-focused community-based organizations to provide culturally specific**  
12 **health promotion and disease management services.**

13       **SECTION 4. (1) There is created in the Department of Human Services the Statewide**  
14 **Health Improvement Program to support evidence-based community efforts to prevent**  
15 **chronic disease and reduce the utilization of expensive and invasive acute treatments. The**  
16 **program is composed of activities described in subsections (2) and (3) of this section.**

17       **(2) The department shall establish aggressive goals for the reduction of tobacco use,**  
18 **obesity and other chronic disease risk factors. The department shall collaborate with schools,**  
19 **employers and community organizations to develop and implement a strategic plan to achieve**  
20 **the goals.**

21       **(3)(a) The department shall award one or more grants to support community-based pri-**  
22 **mary and secondary prevention activities focused on chronic diseases, and in line with the**  
23 **goals of the Statewide Health Improvement Program.**

24       **(b) To receive a grant under this subsection, an applicant must submit a proposal that:**

25       **(A) Includes outside funding of at least 10 percent of the total funding required;**

26       **(B) Is developed with community input, including the input of communities most affected**  
27 **by health disparities;**

28       **(C) Involves a range of community partners, including a range of multicultural commu-**  
29 **nity providers;**

30       **(D) Is evidence-based;**

31       **(E) Reduces health disparities among populations; and**

32       **(F) Contains performance criteria and measurable outcomes to demonstrate, including**  
33 **for communities most affected by health disparities as well as individuals who are partic-**  
34 **ipating in the community-based primary and secondary activity proposal, improvements in**  
35 **population health status and health education and a reduction of chronic disease risk factors.**

36       **SECTION 5. There is appropriated to the Department of Human Services, for the**  
37 **biennium beginning July 1, 2009, out of the General Fund, the amount of \$\_\_\_\_\_ for the**  
38 **purpose of carrying out the provisions of section 4 of this 2009 Act.**

39       **SECTION 6. This 2009 Act being necessary for the immediate preservation of the public**  
40 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
41 **July 1, 2009.**