76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session STAFF MEASURE SUMMARY

Senate Committee on Health Care, Human Services & Rural Health Policy

REVENUE: No revenue impact FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 5 - 0 - 0

Yeas: Bates, Kruse, Morse, Shields, Monnes Anderson

Nays: 0 Exc.: 0

Prepared By: Brian Nieubuurt, Administrator

Meeting Dates: 3/2, 4/13, 4/18, 4/20

WHAT THE MEASURE DOES: Authorizes the Oregon Health Authority (OHA) to approve the transfer of 500 or more enrollees from one prepaid managed care health services organization (MCO) to another if: (a) the enrollees' provider has contracted with the receiving organization and has stopped accepting patients from or has terminated providing services to enrollees in the transferring organization; and (b) enrollees are offered the choice of staying in the transferring organization. Requires OHA to establish, by rule, criteria for evaluating the receiving organization. Limits transfers to no more than once during each enrollment period. Requires OHA to provide at least 90 days notice to affected enrollees. Updates definitions. Declares emergency, effective on passage.

MEASURE: SB 201 A

CARRIER: Sen. Bates

ISSUES DISCUSSED:

- Continuity of care concerns
- Current OHA transfer rules and considerations
- Potential contract changes and need for approval from the Centers for Medicare & Medicaid Services
- Potential impact of a health insurance exchange
- Importance of plan choice
- Role of plan-patient relationship
- Payment to MCOs

EFFECT OF COMMITTEE AMENDMENT: Requires that in order for OHA to approve a transfer, the enrollees' provider has contracted with the receiving organization and has stopped accepting patients from or has terminated providing services to enrollees in the transferring organization. Removes authority of OHA to adopt, by rule, requirement to allow transfers of fewer than 500 enrollees. Requires OHA to establish, by rule, criteria for evaluating the receiving organization. Limits transfers to no more than once during each enrollment period. Requires OHA to provide at least 90 days notice to affected enrollees.

BACKGROUND: The state contracts with MCOs to provide health benefits to members of the Oregon Health Plan, which provides health care coverage to low-income Oregonians.

Senate Bill 201-A addresses situations in which changes in the provider environment can adversely impact MCO members, such as when a large provider panel changes contractual relationships with MCOs. OHA currently has the authority to transfer large groups from one MCO to another. Senate Bill 201-A adds to the considerations currently used by OHA the requirement that the receiving organization be contracted with the enrollees' provider.