

Senate Bill 201

Sponsored by Senator BATES (Pre-session filed.)

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**.

Authorizes Oregon Health Authority to approve transfer of 500 or more enrollees from one prepaid managed care health services organization to another if receiving organization accepts transferring organization's network of providers or allows enrollees to remain enrolled in transferring organization.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to medical assistance; creating new provisions; amending ORS 414.736 and 416.510; repeal-
3 ing section 8, chapter 886, Oregon Laws 2009; and declaring an emergency.

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

5 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS chapter 414.**

6 **SECTION 2. (1) A prepaid managed care health services organization that contracts with**
7 **the Oregon Health Authority must maintain a network of providers sufficient in numbers**
8 **and areas of practice and geographically distributed in a manner to ensure that the health**
9 **services provided under the contract are reasonably accessible to enrollees.**

10 **(2) The authority may approve the transfer of 500 or more enrollees from one organiza-**
11 **tion to another organization if:**

12 **(a) The receiving organization includes the transferring organization's network of pro-**
13 **viders in the receiving organization's network of providers; or**

14 **(b) Enrollees are offered the choice of remaining enrolled in the transferring organiza-**
15 **tion.**

16 **(3) The authority may, by rule, apply the requirements of subsection (2) of this section**
17 **to a transfer of fewer than 500 enrollees from one organization to another organization.**

18 **SECTION 3. ORS 414.736, as amended by section 6, chapter 886, Oregon Laws 2009, is amended**
19 **to read:**

20 414.736. As used in this *[section and ORS 414.725, 414.737, 414.738, 414.739, 414.740, 414.741 and*
21 *414.742]* **chapter, ORS chapter 416** and section 9, chapter 867, Oregon Laws 2009:

22 (1) "Designated area" means a geographic area of the state defined by the Oregon Health Au-
23 thority by rule that is served by a prepaid managed care health services organization.

24 (2) "Fully capitated health plan" means an organization that contracts with the Oregon Health
25 Authority *[or the Oregon Health Policy Board]* on a prepaid capitated basis under ORS 414.725 *[to*
26 *provide an adequate network of providers to ensure that the health services provided under the contract*
27 *are reasonably accessible to enrollees].*

28 (3) "Physician care organization" means an organization that contracts with the Oregon Health
29 Authority *[or the Oregon Health Policy Board]* on a prepaid capitated basis under ORS 414.725 to
30 provide *[an adequate network of providers to ensure that]* the health services described in ORS

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.

1 414.705 (1)(b), (c), (d), (e), (g) and (j) *[are reasonably accessible to enrollees]*. A physician care organ-
 2 ization may also contract with the authority *[or the board]* on a prepaid capitated basis to provide
 3 the health services described in ORS 414.705 (1)(k) and (L).

4 (4) “Prepaid managed care health services organization” means a managed physical health,
 5 dental, mental health or chemical dependency organization that contracts with the authority *[or the*
 6 *board]* on a prepaid capitated basis under ORS 414.725. A prepaid managed care health services
 7 organization may be a dental care organization, fully capitated health plan, physician care organ-
 8 ization, mental health organization or chemical dependency organization.

9 **SECTION 4. Section 8, chapter 886, Oregon Laws 2009, is repealed.**

10 **SECTION 5.** ORS 416.510 is amended to read:

11 416.510. As used in ORS 416.510 to 416.610, unless the context requires otherwise:

12 (1) “Action” means an action, suit or proceeding.

13 (2) “Applicant” means an applicant for assistance.

14 (3) “Assistance” means moneys paid by the Department of Human Services to persons directly
 15 and moneys paid by the Oregon Health Authority or by a prepaid managed care health services
 16 organization for services provided under contract pursuant to ORS 414.725 to others for the benefit
 17 of such persons.

18 (4) “Authority” means the Oregon Health Authority.

19 (5) “Claim” means a claim of a recipient of assistance for damages for personal injuries against
 20 any person or public body, agency or commission other than the State Accident Insurance Fund
 21 Corporation or Workers’ Compensation Board.

22 (6) “Compromise” means a compromise between a recipient and any person or public body,
 23 agency or commission against whom the recipient has a claim.

24 (7) “Judgment” means a judgment in any action or proceeding brought by a recipient to enforce
 25 the claim of the recipient.

26 (8) “Prepaid managed care health services organization” *[means a managed health, dental or*
 27 *mental health care organization that contracts with the authority on a prepaid capitated basis pursuant*
 28 *to ORS 414.725. Prepaid managed care health services organizations may be dental care organizations,*
 29 *fully capitated health plans, mental health organizations or chemical dependency organizations]* **has**
 30 **the meaning given that term in ORS 414.736.**

31 (9) “Recipient” means a recipient of assistance.

32 (10) “Settlement” means a settlement between a recipient and any person or public body, agency
 33 or commission against whom the recipient has a claim.

34 **SECTION 6. This 2011 Act being necessary for the immediate preservation of the public**
 35 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
 36 **on its passage.**