

# Senate Bill 98

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## 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**.

Requires Oregon Health Authority to adopt uniform, statewide standards for reporting of health care quality information by health care providers to insurers. Provides that insurers may not require providers to submit information in addition to that required by standards. Allows authority to contract with public or private entities in adopting standards and guidelines for health care data reporting. Exempts contracts from public contracting requirements.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to health care quality standards; creating new provisions; amending ORS 413.032; and de-  
3 clarating an emergency.

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

5 **SECTION 1.** ORS 413.032 is amended to read:

6 413.032. (1) The Oregon Health Authority is established. The authority shall:

7 (a) Carry out policies adopted by the Oregon Health Policy Board;

8 (b) Develop a plan for the Oregon Health Insurance Exchange in accordance with section 17,  
9 chapter 595, Oregon Laws 2009;

10 (c) Administer the Oregon Prescription Drug Program;

11 (d) Administer the Family Health Insurance Assistance Program;

12 (e) Provide regular reports to the board with respect to the performance of health services  
13 contractors serving recipients of medical assistance, including reports of trends in health services  
14 and enrollee satisfaction;

15 (f) Guide and support, with the authorization of the board, community-centered health initiatives  
16 designed to address critical risk factors, especially those that contribute to chronic disease;

17 (g) Be the state Medicaid agency for the administration of funds from Titles XIX and XXI of the  
18 Social Security Act and administer medical assistance under ORS chapter 414;

19 (h) In consultation with the Director of the Department of Consumer and Business Services,  
20 periodically review and recommend standards and methodologies to the Legislative Assembly for:

21 (A) Review of administrative expenses of health insurers;

22 (B) Approval of rates; and

23 (C) Enforcement of rating rules adopted by the Department of Consumer and Business Services;

24 (i) Structure reimbursement rates for providers that serve recipients of medical assistance to  
25 reward comprehensive management of diseases, quality outcomes and the efficient use of resources  
26 and to promote cost-effective procedures, services and programs including, without limitation, pre-  
27 ventive health, dental and primary care services, web-based office visits, telephone consultations and  
28 telemedicine consultations;

**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 (j) Guide and support community three-share agreements in which an employer, state or local  
 2 government and an individual all contribute a portion of a premium for a community-centered health  
 3 initiative or for insurance coverage; *[and]*

4 (k) Develop, in consultation with the Department of Consumer and Business Services and the  
 5 Health Insurance Reform Advisory Committee, one or more products designed to provide more af-  
 6 fordable options for the small group market; **and**

7 **(L) Adopt by rule uniform, statewide standards for all reporting of health care quality**  
 8 **information by health care providers to insurers, including standards stating that providers**  
 9 **may not be required by insurers, but may voluntarily agree, to provide information beyond**  
 10 **what is specified in the standards adopted by the authority.**

11 (2) The Oregon Health Authority is authorized to:

12 (a) Create an all-claims, all-payer database to collect health care data and monitor and evaluate  
 13 health care reform in Oregon and to provide comparative cost and quality information to consumers,  
 14 providers and purchasers of health care about Oregon’s health care systems and health plan net-  
 15 works in order to provide comparative information to consumers.

16 (b) *[Develop]* **Adopt** uniform contracting standards for the purchase of health care, including the  
 17 following:

18 *[(A) Uniform quality standards and performance measures;]*

19 *[(B)]* **(A)** Evidence-based guidelines for major chronic disease management and health care ser-  
 20 vices with unexplained variations in frequency or cost;

21 *[(C)]* **(B)** Evidence-based effectiveness guidelines for select new technologies and medical equip-  
 22 ment; and

23 *[(D)]* **(C)** A statewide drug formulary that may be used by publicly funded health benefit plans.

24 (c) *[Submit directly to the Legislative Counsel, no later than October 1 of each even-numbered year,*  
 25 *requests for measures necessary to provide statutory authorization to carry out any of the authority’s*  
 26 *duties or to implement any of the board’s recommendations. The measures may be filed prior to the*  
 27 *beginning of the legislative session in accordance with the rules of the House of Representatives and*  
 28 *the Senate]* **Contract with private or public entities as necessary for the adoption of standards**  
 29 **and guidelines under subsections (1)(L) and (2)(b)(A) and (B) of this section. Such contracts**  
 30 **are not subject to the requirements of ORS chapter 279A, 279B or 279C.**

31 (3) The enumeration of duties, functions and powers in this section is not intended to be exclu-  
 32 sive nor to limit the duties, functions and powers imposed on or vested in the Oregon Health Au-  
 33 thority by ORS 413.006 to 413.064 or by other statutes.

34 **SECTION 2. The amendments to ORS 413.032 by section 1 of this 2011 Act become oper-**  
 35 **ative January 1, 2012.**

36 **SECTION 3. This 2011 Act being necessary for the immediate preservation of the public**  
 37 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**  
 38 **on its passage.**