



April 4, 2013

Chair Monnes-Anderson  
Senate Committee Health Care and Human Services  
Oregon State Legislature  
900 Court Street  
Salem, OR 97301

Chair Monnes-Anderson and Members of the Committee:

Thank you for the opportunity to submit testimony in support of SB 724. This bill calls for Coordinated Care Organizations (CCOs) to develop payment methodology for innovative health services that may not fall into the currently established billing structure for our emerging health system transformation. As the Area Agencies on Aging build relationships with our local CCOs, we have seen the need for this legislation to enable true innovation to occur.

Through our successful experience in the areas of care coordination, evidence based health promotion, care transition, medication management and other key programs and services, we are confident that we can assist CCOs to reach their Triple Aim to improve health, improve outcomes, and lower costs. We have been working with the local CCOs to build the partnership to offer these services through a contractual relationship. However, the lack of any payment methodology in place for the CCO to establish billing for these services is proving to be a serious barrier to forming these partnerships. Therefore, duplication is beginning to occur and our potential to partner with CCOs to achieve the Triple Aim is being greatly compromised.

Area Agencies on Aging and Disabilities and other providers of health services and supports can and should be key partners with the CCOs in local communities. The cost sharing opportunities before us will prove critical to achieving lower costs and improved health. However, the infrastructure must be in place to allow billing and payment to occur without penalties for the CCO who may not have any other option but to use administrative dollars to reimburse for these partnerships.

O4AD, representing the Area Agencies in our state, is always interested in finding ways to realize efficiencies yet provide the highest quality, effective services possible to meet the needs of our local community. We have a specific expertise in a variety of services that will be beneficial in partnership with the CCOs and we look forward to forging this work on behalf of those individuals receiving care around the state.

We are committed toward efforts to overcome the barriers that exist in creating a more holistic and collaborative health care system that is the centerpiece of health system transformation. We recognize that SB 724 addresses a gap in the current system that will help health system transformation move forward.

Thank you for your consideration of this legislation.

Dave Toler  
Legislative Committee, O4AD  
Director, Rogue Valley Council of Governments – Senior & Disability Services