
MEMORANDUM

Legislative Fiscal Office
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To: Human Services Subcommittee of the Joint Committee on Ways and Means

From: Linda Ames, Legislative Fiscal Office
503-986-1830

Date: June 12, 2013

Subject: SB 436-A
Work Session Recommendation

SB 436 requires coordinated care organizations (CCOs) and their community advisory councils to adopt health improvement plans that include plans for improving the integration of all services provided to meet the needs of children, adolescents and families, as well as plans for integrating school-based health centers (SBHCs) within the health system. The bill also authorizes the Oregon Health Authority (OHA) to provide incentive grants to CCOs to implement integration strategies identified in the plans.

The measure previously had hearings in the Senate Committee on Health Care and Human Services on 2/21/2013 and 4/16/2013, and in this Subcommittee on 5/6/2013.

The measure, the original staff measure summary, and fiscal impact statement are available on the Oregon Legislative Information System (OLIS).

The fiscal impact of the bill is indeterminate. The bill requires each coordinated care organization to report to OHA on the progress of their integration strategies. OHA is directed to compile the information and report to the legislature by December 31, 2014. This requirement of the bill would have minimal impact on OHA. The authority will use existing staff and resources to collect and compile reports on the progress of integration efforts, and report to the legislature.

In addition, the bill permits (but does not require) OHA to provide incentive grants to CCOs for the purpose of contracting with individuals or organizations to help coordinate integration strategies identified in the community health improvement plans. No funding is currently included for these incentive grants.

The measure is recommended to be moved to the Full Committee on Joint Ways and Means.

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means
Vote:	4 - 0 - 1
Yeas:	Knopp, Kruse, Shields, Monnes Anderson
Nays:	0
Exc.:	Steiner Hayward
Prepared By:	Sandy Thiele-Cirka, Administrator
Meeting Dates:	2/21, 4/16

WHAT THE MEASURE DOES: Requires coordinated care organization (CCO) and community advisory council to adopt health improvement plan. Specifies strategies to be included in plan. Specifies entities to be involved with development of health improvement plan. Authorizes Oregon Health Authority (OHA) provide incentive grants. Directs CCOs submit report to OHA, and OHA to compile information and present to Legislative Assembly by December 31, 2014. Sunsets on convening of 2015 Legislative Assembly. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Importance of school-based health centers (SBHCs) and coordination with coordinated care organizations (CCOs)
- Medical records integration
- Local community involvement
- SBHCs and patient centered-primary care home
- Positive impacts of SBHCs
- Health care reform and education system reform
- Proposed amendments

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: Coordinated Care Organizations (CCOs) have been directed by the Oregon Health Authority (OHA) to reduce the health care cost curve by 6 percent over the next 4 years. Many of the efforts to achieve these savings will be focusing on individuals who over-utilize emergency rooms, and/or adults with serious chronic or mental health conditions. Supporters assert that many prevention programs and children's health programs have been in place for a long time and have a proven record of success, and are concerned that these programs will not be a focus of the CCOs in many areas.

Senate Bill 436-A requires CCOs and the community advisory council to adopt community health improvement plans. Additionally, the measure specifies the plan goals and local programs that are associated with children, families that should be involved.

4/22/2013 11:20:00 AM

This summary has not been adopted or officially endorsed by action of the committee.