

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 3 - 0 - 2

Yeas: Knopp, Kruse, Monnes Anderson

Nays: 0

Exc.: Shields, Steiner Hayward

Prepared By: Sandy Thiele-Cirka, Administrator

Meeting Dates: 4/8, 4/15

WHAT THE MEASURE DOES: Specifies terms for contracts entered into between Oregon Health Authority and Coordinated Care Organizations. Specifies conditions when contract can be amended. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Limitations on one -year contract
- Ability to plan long term
- Terms of evergreen contracts
- Proposed amendment

EFFECT OF COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: Currently, Coordinated Care Organizations (CCOs) and the Oregon Health Authority (OHA) establish annual contracts. CCOs assert the short contract durations, are problematic for them to consider long-term investments that is required to bend the health care cost-curve.

Senate Bill 725-A creates five year contracts between the CCOs and OHA where the contract will automatically be renewed, which will build confidence and stability for the CCOs.