77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session MEASURE: STAFF MEASURE SUMMARY

Joint Committee on Ways and Means

Carrier – House: Rep. Nathanson Carrier – Senate: Sen. Steiner Hayward

SB 436-A

Revenue: No revenue impact **Fiscal:** Fiscal statement issued

Action: Do Pass the A-Engrossed Measure

Vote: 23 - 2 - 1

<u>House</u>

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, Nathanson, Read,

Richardson, Smith, Tomei, Williamson

Nays: McLane

Exc: Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Monroe, Steiner Hayward, Thomsen, Winters

Nays: Whitsett Exc: Johnson

Prepared By: Linda Ames, Legislative Fiscal Office

Meeting Date: June 19, 2013

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:

• Fiscal impact

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Coordinated Care Organizations (CCOs) have been directed by the Oregon Health Authority (OHA) to reduce the health care cost curve by 1 percent next year and 2 percent per year over the following 3 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.