

A-Engrossed
Senate Bill 725

Ordered by the Senate April 19
Including Senate Amendments dated April 19

Sponsored by Senator BATES; Representatives CLEM, FREEMAN

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.

Specifies terms for contracts entered into between Oregon Health Authority and coordinated care organizations. [*Modifies financial reserve requirements for coordinated care organizations on July 1, 2019, and July 1, 2024.*]

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to coordinated care organizations; and declaring an emergency.

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

4 **SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 414.**

5 **SECTION 2. (1) A contract entered into between the Oregon Health Authority and a co-**
6 **ordinated care organization under ORS 414.625 (1):**

7 (a) **Shall be for a term of five years;**

8 (b) **Except as provided in subsection (3) of this section, may not be amended more than**
9 **once in each 12-month period; and**

10 (c) **Shall be terminated if a coordinated care organization fails to meet outcome and**
11 **quality measures specified in the contract.**

12 (2) **This section does not prohibit the authority from allowing a coordinated care organ-**
13 **ization a reasonable amount of time in which to cure any failure to meet outcome and quality**
14 **measures specified in the contract prior to the termination of the contract.**

15 (3) **A contract entered into between the authority and a coordinated care organization**
16 **may be amended more than once in each 12-month period if:**

17 (a) **The authority and the coordinated care organization mutually agree to amend the**
18 **contract; or**

19 (b) **Amendments are necessitated by changes in federal or state law.**

20 **SECTION 3. This 2013 Act being necessary for the immediate preservation of the public**
21 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
22 **on its passage.**

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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.