

**PROPOSED AMENDMENTS TO
A-ENGROSSED SENATE BILL 725**

1 In line 7 of the printed A-engrossed bill, after “for” delete the rest of the
2 line and insert “the following terms:

3 “(A) Contracts in effect before December 31, 2013, shall expire on De-
4 cember 31, 2013; and

5 “(B) Contracts entered into or renewed after December 31, 2013, shall be
6 for a term of three years;”.

7 Delete lines 10 and 11 and insert:

8 “(c) May be terminated if a coordinated care organization fails to:

9 “(A) Meet outcome and quality measures specified in the contract; or

10 “(B) Comply with rules or contract criteria adopted by the authority un-
11 der ORS 414.625.”.

12 After line 19, insert:

13 “**SECTION 3.** Section 2 of this 2013 Act is amended to read:

14 “**Sec. 2.** (1) A contract entered into between the Oregon Health Authority
15 and a coordinated care organization under ORS 414.625 (1):

16 “(a) Shall be for [*the following terms:*]

17 “[*(A) Contracts in effect before December 31, 2013, shall expire on December*
18 *31, 2013; and]*

19 “[*(B) Contracts entered into or renewed after December 31, 2013, shall be*
20 *for]* a term of [*three*] **five** years;

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

1 “(c) May be terminated if a coordinated care organization fails to:
2 “(A) Meet outcome and quality measures specified in the contract; or
3 “(B) Comply with rules or contract criteria adopted by the authority un-
4 der ORS 414.625.

5 “(2) This section does not prohibit the authority from allowing a coordi-
6 nated care organization a reasonable amount of time in which to cure any
7 failure to meet outcome and quality measures specified in the contract prior
8 to the termination of the contract.

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

11 “(a) The authority and the coordinated care organization mutually agree
12 to amend the contract; or

13 “(b) Amendments are necessitated by changes in federal or state law.

14 **“SECTION 4. The amendments to section 2 of this 2013 Act by sec-**
15 **tion 3 of this 2013 Act become operative January 1, 2017, and apply to**
16 **a contract between the Oregon Health Authority and a coordinated**
17 **care organization that is entered into or renewed on or after January**
18 **1, 2017.”.**

19 In line 20, delete “3” and insert “5”.

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