

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

1 In line 2 of the printed A-engrossed bill, after the semicolon insert “cre-
2 ating new provisions; amending ORS 414.625 and section 13, chapter 8,
3 Oregon Laws 2012;”.

4 After line 19, insert:

5 **“SECTION 3.** ORS 414.625, as amended by section 20, chapter 8, Oregon
6 Laws 2012, is amended to read:

7 “414.625. (1) The Oregon Health Authority shall adopt by rule the quali-
8 fication criteria and requirements for a coordinated care organization and
9 shall integrate the criteria and requirements into each contract with a co-
10 ordinated care organization. Coordinated care organizations may be local,
11 community-based organizations or statewide organizations with community-
12 based participation in governance or any combination of the two. Coordi-
13 nated care organizations may contract with counties or with other public or
14 private entities to provide services to members. The authority may not con-
15 tract with only one statewide organization. A coordinated care organization
16 may be a single corporate structure or a network of providers organized
17 through contractual relationships. The criteria adopted by the authority un-
18 der this section must include, but are not limited to, the coordinated care
19 organization’s demonstrated experience and capacity for:

20 “(a) Managing financial risk and establishing financial reserves.

21 “(b) Meeting the following minimum financial requirements:

22 “(A) Maintaining restricted reserves of \$250,000 plus an amount equal to

1 50 percent of the coordinated care organization’s total actual or projected
2 liabilities above \$250,000.

3 “(B) Maintaining a net worth in an amount equal to at least five percent
4 of the average combined revenue in the prior two quarters of the partic-
5 ipating health care entities.

6 “(c) Operating within a fixed global budget.

7 “(d) Developing and implementing alternative payment methodologies that
8 are based on health care quality and improved health outcomes.

9 “(e) Coordinating the delivery of physical health care, mental health and
10 chemical dependency services, oral health care and covered long-term care
11 services.

12 “(f) Engaging community members and health care providers in improving
13 the health of the community and addressing regional, cultural, socioeconomic
14 and racial disparities in health care that exist among the coordinated care
15 organization’s members and in the coordinated care organization’s commu-
16 nity.

17 “(2) In addition to the criteria specified in subsection (1) of this section,
18 the authority must adopt by rule requirements for coordinated care organ-
19 izations contracting with the authority so that:

20 “(a) Each member of the coordinated care organization receives integrated
21 person centered care and services designed to provide choice, independence
22 and dignity.

23 “(b) Each member has a consistent and stable relationship with a care
24 team that is responsible for comprehensive care management and service
25 delivery.

26 “(c) The supportive and therapeutic needs of each member are addressed
27 in a holistic fashion, using patient centered primary care homes or other
28 models that support patient centered primary care and individualized care
29 plans to the extent feasible.

30 “(d) Members receive comprehensive transitional care, including appro-

1 puate follow-up, when entering and leaving an acute care facility or a long
2 term care setting.

3 “(e) Members receive assistance in navigating the health care delivery
4 system and in accessing community and social support services and statewide
5 resources, including through the use of certified health care interpreters, as
6 defined in ORS 413.550, community health workers and personal health
7 navigators who meet competency standards established by the authority un-
8 der ORS 414.665 or who are certified by the Home Care Commission under
9 ORS 410.604.

10 “(f) Services and supports are geographically located as close to where
11 members reside as possible and are, if available, offered in nontraditional
12 settings that are accessible to families, diverse communities and underserved
13 populations.

14 “(g) Each coordinated care organization uses health information technol-
15 ogy to link services and care providers across the continuum of care to the
16 greatest extent practicable and if financially viable.

17 “(h) Each coordinated care organization complies with the safeguards for
18 members described in ORS 414.635.

19 “(i) Each coordinated care organization convenes a community advisory
20 council that meets the criteria specified in section 13, chapter 8, Oregon
21 Laws 2012.

22 “(j) Each coordinated care organization prioritizes working with members
23 who have high health care needs, multiple chronic conditions, mental illness
24 or chemical dependency and involves those members in accessing and man-
25 aging appropriate preventive, health, remedial and supportive care and ser-
26 vices to reduce the use of avoidable emergency room visits and hospital
27 admissions.

28 “(k) Members have a choice of providers within the coordinated care
29 organization’s network and that providers participating in a coordinated care
30 organization:

1 “(A) Work together to develop best practices for care and service delivery
2 to reduce waste and improve the health and well-being of members.

3 “(B) Are educated about the integrated approach and how to access and
4 communicate within the integrated system about a patient’s treatment plan
5 and health history.

6 “(C) Emphasize prevention, healthy lifestyle choices, evidence-based
7 practices, shared decision-making and communication.

8 “(D) Are permitted to participate in the networks of multiple coordinated
9 care organizations.

10 “(E) Include providers of specialty care.

11 “(F) Are selected by coordinated care organizations using universal ap-
12 plication and credentialing procedures, objective quality information and are
13 removed if the providers fail to meet objective quality standards.

14 “(G) Work together to develop best practices for culturally appropriate
15 care and service delivery to reduce waste, reduce health disparities and im-
16 prove the health and well-being of members.

17 “(L) Each coordinated care organization reports on outcome and quality
18 measures adopted under ORS 414.638 and participates in the health care data
19 reporting system established in ORS 442.464 and 442.466.

20 “(m) Each coordinated care organization uses best practices in the man-
21 agement of finances, contracts, claims processing, payment functions and
22 provider networks.

23 “(n) Each coordinated care organization participates in the learning
24 collaborative described in ORS 442.210 (3).

25 “(o) Each coordinated care organization has a [*governance structure*]
26 **governing body** that includes:

27 “(A) Persons that share in the financial risk of the organization who must
28 constitute a majority of the [*governance structure*] **governing body**;

29 “(B) The major components of the health care delivery system;

30 “(C) At least two health care providers in active practice, including:

1 “(i) A physician licensed under ORS chapter 677 or a nurse practitioner
2 certified under ORS 678.375, whose area of practice is primary care; and

3 “(ii) A mental health or chemical dependency treatment provider;

4 “(D) At least two members from the community at large, to ensure that
5 the organization’s decision-making is consistent with the values of the
6 members and the community; and

7 “(E) At least one member of the community advisory council.

8 “(p) **Each coordinated care organization’s governing body estab-**
9 **lishes standards for publicizing the activities of the coordinated care**
10 **organization and the organization’s community advisory councils, as**
11 **necessary, to keep the community informed.**

12 “(3) The authority shall consider the participation of area agencies and
13 other nonprofit agencies in the configuration of coordinated care organiza-
14 tions.

15 “(4) In selecting one or more coordinated care organizations to serve a
16 geographic area, the authority shall:

17 “(a) For members and potential members, optimize access to care and
18 choice of providers;

19 “(b) For providers, optimize choice in contracting with coordinated care
20 organizations; and

21 “(c) Allow more than one coordinated care organization to serve the ge-
22 ographic area if necessary to optimize access and choice under this sub-
23 section.

24 “(5) On or before July 1, 2014, each coordinated care organization must
25 have a formal contractual relationship with any dental care organization
26 that serves members of the coordinated care organization in the area where
27 they reside.

28 “**SECTION 4.** Section 13, chapter 8, Oregon Laws 2012, is amended to
29 read:

30 “**Sec. 13.** (1) A coordinated care organization must have a community

1 advisory council to ensure that the health care needs of the consumers and
2 the community are being addressed. The council must:

3 “(a) Include representatives of the community and of each county gov-
4 ernment served by the coordinated care organization, but consumer repre-
5 sentatives must constitute a majority of the membership; **and**

6 “[*(b) Meet no less frequently than once every three months; and*]

7 “[*(c)*] **(b)** Have its membership selected by a committee composed of equal
8 numbers of county representatives from each county served by the coordi-
9 nated care organization and members of the governing body of the coordi-
10 nated care organization.

11 “(2) The duties of the council include, but are not limited to:

12 “(a) Identifying and advocating for preventive care practices to be utilized
13 by the coordinated care organization;

14 “(b) Overseeing a community health assessment and adopting a commu-
15 nity health improvement plan to serve as a strategic population health and
16 health care system service plan for the community served by the coordinated
17 care organization; and

18 “(c) Annually publishing a report on the progress of the community
19 health improvement plan.

20 “(3) The community health improvement plan adopted by the council
21 should describe the scope of the activities, services and responsibilities that
22 the coordinated care organization will consider upon implementation of the
23 plan. The activities, services and responsibilities defined in the plan may
24 include, but are not limited to:

25 “(a) Analysis and development of public and private resources, capacities
26 and metrics based on ongoing community health assessment activities and
27 population health priorities;

28 “(b) Health policy;

29 “(c) System design;

30 “(d) Outcome and quality improvement;

1 “(e) Integration of service delivery; and

2 “(f) Workforce development.

3 “(4) **The council shall meet at least once every three months. The**
4 **council shall post a report of its meetings and discussions to the**
5 **website of the coordinated care organization and other websites ap-**
6 **propriate to keeping the community informed of the council’s activ-**
7 **ities. The council, the governing body of the coordinated care**
8 **organization or a designee of the council or governing body has dis-**
9 **cretion as to whether public comments received at meetings that are**
10 **open to the public will be included in the reports posted to the website**
11 **and, if so, which comments are appropriate for posting.**

12 “(5) **If the regular council meetings are not open to the public and**
13 **do not provide an opportunity for members of the public to provide**
14 **written and oral comments, the council shall hold semiannual**
15 **meetings:**

16 “(a) **That are open to the public and attended by the members of**
17 **the council;**

18 “(b) **At which the council shall report on the activities of the co-**
19 **ordinated care organization and the council;**

20 “(c) **At which the council shall provide written reports on the ac-**
21 **tivities of the coordinated care organization; and**

22 “(d) **At which the council shall provide the opportunity for the**
23 **public to provide written or oral comments.**

24 “(6) **The coordinated care organization shall post to the**
25 **organization’s website contact information for, at a minimum, the**
26 **chairperson, a member of the community advisory council or a desig-**
27 **nated staff member of the organization.**

28 “(7) **Meetings of the council are not subject to ORS 192.610 to**
29 **192.710.**

30 “**SECTION 5.** Section 13, chapter 8, Oregon Laws 2012, as amended by

1 section 4 of this 2013 Act, is amended to read:

2 “**Sec. 13.** (1) A coordinated care organization must have a community
3 advisory council to ensure that the health care needs of the consumers and
4 the community are being addressed. The council must:

5 “(a) Include representatives of the community and of each county gov-
6 ernment served by the coordinated care organization, but consumer repre-
7 sentatives must constitute a majority of the membership; and

8 “(b) Have its membership selected by a committee composed of equal
9 numbers of county representatives from each county served by the coordi-
10 nated care organization and members of the governing body of the coordi-
11 nated care organization.

12 “(2) The duties of the council include, but are not limited to:

13 “(a) Identifying and advocating for preventive care practices to be utilized
14 by the coordinated care organization;

15 “(b) Overseeing a community health assessment and adopting a commu-
16 nity health improvement plan to serve as a strategic population health and
17 health care system service plan for the community served by the coordinated
18 care organization; and

19 “(c) Annually publishing a report on the progress of the community
20 health improvement plan.

21 “(3) The community health improvement plan adopted by the council
22 should describe the scope of the activities, services and responsibilities that
23 the coordinated care organization will consider upon implementation of the
24 plan. The activities, services and responsibilities defined in the plan may
25 include, but are not limited to:

26 “(a) Analysis and development of public and private resources, capacities
27 and metrics based on ongoing community health assessment activities and
28 population health priorities;

29 “(b) Health policy;

30 “(c) System design;

- 1 “(d) Outcome and quality improvement;
2 “(e) Integration of service delivery; and
3 “(f) Workforce development.

4 “(4) The council shall meet at least once every three months. The council
5 shall post a report of its meetings and discussions to the website of the co-
6 ordinated care organization and other websites appropriate to keeping the
7 community informed of the council’s activities. The council, the governing
8 body of the coordinated care organization or a designee of the council or
9 governing body has discretion as to whether public comments received at
10 meetings that are open to the public will be included in the reports posted
11 to the website and, if so, which comments are appropriate for posting.

12 “(5) If the regular council meetings are not open to the public and do not
13 provide an opportunity for members of the public to provide written and oral
14 comments, the council shall hold [*semiannual*] **quarterly** meetings:

15 “(a) That are open to the public and attended by the members of the
16 council;

17 “(b) At which the council shall report on the activities of the coordinated
18 care organization and the council;

19 “(c) At which the council shall provide written reports on the activities
20 of the coordinated care organization; and

21 “(d) At which the council shall provide the opportunity for the public to
22 provide written or oral comments.

23 “(6) The coordinated care organization shall post to the organization’s
24 website contact information for, at a minimum, the chairperson, a member
25 of the community advisory council or a designated staff member of the or-
26 ganization.

27 “(7) Meetings of the council are not subject to ORS 192.610 to 192.710.

28 **“SECTION 6. The amendments to section 13, chapter 8, Oregon**
29 **Laws 2012, by section 5 of this 2013 Act become operative January 1,**
30 **2015.”.**

1 In line 20, delete “3” and insert “7”.

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