

**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 In line 10, delete “Shall” and insert “May”.

5 In line 11, after “contract” insert “or is otherwise in breach of the con-
6 tract”.

7 After line 19, insert:

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

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

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

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

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

4 50 percent of the coordinated care organization’s total actual or projected

5 liabilities above \$250,000.

6 “(B) Maintaining a net worth in an amount equal to at least five percent

7 of the average combined revenue in the prior two quarters of the partic-

8 ipating health care entities.

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

10 “(d) Developing and implementing alternative payment methodologies that

11 are based on health care quality and improved health outcomes.

12 “(e) Coordinating the delivery of physical health care, mental health and

13 chemical dependency services, oral health care and covered long-term care

14 services.

15 “(f) Engaging community members and health care providers in improving

16 the health of the community and addressing regional, cultural, socioeconomic

17 and racial disparities in health care that exist among the coordinated care

18 organization’s members and in the coordinated care organization’s commu-

19 nity.

20 “(2) In addition to the criteria specified in subsection (1) of this section,

21 the authority must adopt by rule requirements for coordinated care organ-

22 izations contracting with the authority so that:

23 “(a) Each member of the coordinated care organization receives integrated

24 person centered care and services designed to provide choice, independence

25 and dignity.

26 “(b) Each member has a consistent and stable relationship with a care

27 team that is responsible for comprehensive care management and service

28 delivery.

29 “(c) The supportive and therapeutic needs of each member are addressed

30 in a holistic fashion, using patient centered primary care homes or other

1 models that support patient centered primary care and individualized care
2 plans to the extent feasible.

3 “(d) Members receive comprehensive transitional care, including appro-
4 priate follow-up, when entering and leaving an acute care facility or a long
5 term care setting.

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

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

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

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

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

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

1 “(k) Members have a choice of providers within the coordinated care
2 organization’s network and that providers participating in a coordinated care
3 organization:

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

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

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

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

13 “(E) Include providers of specialty care.

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

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

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

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

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

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

30 “(A) Persons that share in the financial risk of the organization who must

1 constitute a majority of the [*governance structure*] **governing body**;

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

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

4 “(i) A physician licensed under ORS chapter 677 or a nurse practitioner

5 certified under ORS 678.375, whose area of practice is primary care; and

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

7 “(D) At least two members from the community at large, to ensure that

8 the organization’s decision-making is consistent with the values of the

9 members and the community; and

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

11 **“(p) Each coordinated care organization’s governing body estab-**

12 **lishes standards for publicizing the activities of the coordinated care**

13 **organization and the organization’s community advisory councils, as**

14 **necessary, to keep the community informed.**

15 “(3) The authority shall consider the participation of area agencies and

16 other nonprofit agencies in the configuration of coordinated care organiza-

17 tions.

18 “(4) In selecting one or more coordinated care organizations to serve a

19 geographic area, the authority shall:

20 “(a) For members and potential members, optimize access to care and

21 choice of providers;

22 “(b) For providers, optimize choice in contracting with coordinated care

23 organizations; and

24 “(c) Allow more than one coordinated care organization to serve the ge-

25 ographic area if necessary to optimize access and choice under this sub-

26 section.

27 “(5) On or before July 1, 2014, each coordinated care organization must

28 have a formal contractual relationship with any dental care organization

29 that serves members of the coordinated care organization in the area where

30 they reside.

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

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

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

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

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

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

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

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

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

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

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

- 1 “(b) Health policy;
2 “(c) System design;
3 “(d) Outcome and quality improvement;
4 “(e) Integration of service delivery; and
5 “(f) Workforce development.

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

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

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

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

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

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

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

1 **“(7) Meetings of the council are not subject to ORS 192.610 to**
2 **192.710.**

3 **“SECTION 5.** Section 13, chapter 8, Oregon Laws 2012, as amended by
4 section 4 of this 2013 Act, is amended to read:

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

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

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

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

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

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

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

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

29 “(a) Analysis and development of public and private resources, capacities
30 and metrics based on ongoing community health assessment activities and

1 population health priorities;

2 “(b) Health policy;

3 “(c) System design;

4 “(d) Outcome and quality improvement;

5 “(e) Integration of service delivery; and

6 “(f) Workforce development.

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

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

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

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

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

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

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

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

1 **“SECTION 6. The amendments to section 13, chapter 8, Oregon**
2 **Laws 2012, by section 5 of this 2013 Act become operative January 1,**
3 **2015.”.**

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

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