

PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Senate Health Care

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Zena Rockowitz, Administrator

Meeting Dates: 2/25

WHAT THE MEASURE DOES: Repeals antitrust exemption for coordinated care organizations.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

BACKGROUND: Federal and state antitrust laws govern the marketplace to create competition among sellers with the intent to give individuals and businesses the benefits of lower prices, higher quality products and services, more choices, and greater innovation. The federal McCarran-Ferguson Act exempts “the business of insurance” from federal antitrust laws to the extent regulated by the states.

In 2011, the Oregon Legislative Assembly passed House Bill 3650 which declares that collaboration among public payers, private health carriers, third party purchasers and providers to identify appropriate service delivery and reimbursement methods supports integrated and coordinated health care delivery and is in the best interest of the public. As a result, the Oregon Legislative Assembly exempts CCOs (networks of health care providers in a given geographical area) from state antitrust laws, and provides immunity from federal antitrust laws with the intent to prevent CCOs from being constrained. The Oregon Health Authority supervises the CCOs and may inspect or request additional documentation to verify that they are providing an integrated and coordinated health care delivery system.