

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:** 3/9, 3/23

WHAT THE MEASURE DOES: Alters duties of learning collaborative convened by Oregon Health Authority (OHA). Requires collaborative to develop methods of reimbursement towards support of health care innovation and improvement in patient centered primary care homes (PCPCH). Specifies representation of learning collaborative. Defines specific payers to participate. Specifies criteria for innovation payment methodology. Specifies payments must adequately compensate PCPCH. Requires collaborative to annually review innovation payments, establish benchmarks for evaluating effectiveness and align with outcome measures of coordinated care organizations. Requires OHA to conduct evaluation of report. Allows OHA to contract with public or private entity to facilitate work of collaborative. Directs Department of Consumer and Business Services to adopt innovation payment method by rule. Requires all insurers and third party administrators to use innovation payment methods. Declares collaborative exemption from public trust laws. Allows care management payments to be subtracted from innovation payments made to participants and payers. Requires OHA to create guidelines for participation in and function of collaborative no later than September 1, 2015. Applies to policies or certificates issued on or after January 1, 2016. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Primary care is critical to transform health delivery
- Project design and payer participation vary widely in pilot projects
- Sustainability of pilot projects
- Flexibility in identifying alternative payment methods

EFFECT OF COMMITTEE AMENDMENT: -2 Adds person with experience in primary care to learning collaborative.

BACKGROUND: The Oregon Health Authority (OHA) assists with the implementation of Health System Transformation Initiatives with the goal of achieving Oregon's Triple Aim in health care, which is to improve population health, improve patient care and contain costs. Research confirms the value of primary care to improve quality and reducing costs. The Patient Centered Primary Care Home (PCPCH) is a program in health transformation. PCPCH are health care clinics recognized for patient-centered care, with the goal of providing integrated, preventive care in community settings. Over 500 clinics have been recognized as PCPCH. In 2013 OHA and the Oregon Health Leadership Council convened a series of meetings between a majority of payers in Oregon and other partners to develop consensus-based strategies to support PCPCH. Representatives from participating organizations agreed to shared goals, objectives and key actions that support aligning payment with quality. Participating payers agreed to provide variable payments to PCPCH participants based on achieving outcomes which lead to the Triple Aim, set meaningful outcome metrics and review progress towards meeting metrics. Proponents of the bill state that implementation by payers has been slow to occur and may not be sustainable without committing additional resources

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This summary has not been adopted or officially endorsed by action of the committee.

and systemic action for these types of initiatives. Opponents concerns include that mandating payments is unnecessarily prescriptive, decreasing innovation and presenting administrative complexity.