

**STAFF MEASURE SUMMARY**

**House Committee On Health Care**

**Fiscal:** Fiscal impact issued

**Revenue:** No Revenue Impact

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**Action Date:** 04/15/15

**Action:** Without Recommendation, With Amendments, Be Printed Engrossed And Be Referred To Ways And Means.

**Meeting Dates:** 03/25, 04/15

**Vote:**

Yeas: 8 - Clem, Greenlick, Hayden, Kennemer, Keny-Guyer, Lively, Nosse, Weidner

Exc: 1 - Buehler

**Prepared By:** Sandy Thiele-Cirka, Committee Administrator

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**WHAT THE MEASURE DOES:**

Modifies the definition of prepaid managed care health services organization and requires the Oregon Health Authority (OHA) to continue to contract with prepaid managed care organizations under specific conditions, and repeals sunset date for OHA to terminate contract with prepaid managed care health services organization. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Unintended consequences of HB 3650 (2011) and SB 1580 (2012)
- Necessary to continue treating Oregon Health Plan clients
- Maintain status for prepaid managed care health service organizations
- Proposed amendment

**EFFECT OF COMMITTEE AMENDMENT:**

Replaces original measure.

**BACKGROUND:**

Under ORS 414.725 a “prepaid managed care health services organization” means a managed physical health, dental, mental health or chemical dependency organization that contracts with the Department of Human Services on a prepaid capitated basis.

With the passage of House Bill 3650 (2011) and Senate Bill 1580 (2012), which established the Integrated and Coordinated Health Care Delivery System, the prepaid managed care health service organizations will be eliminated on July 1, 2017.