

SB 231-4
(LC 483)
4/14/15 (LHF/ps)

**PROPOSED AMENDMENTS TO
SENATE BILL 231**

1 On page 1 of the printed bill, line 10, delete “An insurer” and insert “A
2 carrier”.

3 Delete lines 12 through 28 and delete pages 2 through 4 and insert:

4 “(B) The Public Employees’ Benefit Board.

5 “(C) The Oregon Educators Benefit Board.

6 “(2) All prominent carriers shall, and carriers other than prominent car-
7 riers may:

8 “(a) Report to the Department of Consumer and Business Services, by
9 March 16 of each year, the proportion of the carrier’s total medical expenses
10 that are allocated to primary care;

11 “(b) Increase the proportion of the carrier’s total medical costs that are
12 allocated to primary care by 1.5 percent annually without a corresponding
13 increase in premiums, up to a maximum established by the department by
14 rule; and

15 “(c) Report to the department annually on the methods used to accomplish
16 the increase in the proportion of the carrier’s total medical costs that are
17 allocated to primary care.

18 “(3) The department shall share with the Oregon Health Authority the
19 information reported so that the authority may prepare the evaluation and
20 report described in section 2 of this 2015 Act.

21 “(4) The department, in collaboration with the authority, shall adopt rules
22 prescribing the primary care services for which costs must be reported under

1 subsection (2) of this section.

2 “(5) The department shall consider in its review of a carrier’s rate filings
3 the information described in subsection (2) of this section.

4 **“SECTION 2. (1) As used in this section:**

5 **“(a) ‘Carrier’ means:**

6 **“(A) An insurer that offers a health benefit plan, as defined in ORS
7 743.730.**

8 **“(B) The Public Employees’ Benefit Board.**

9 **“(C) The Oregon Educators Benefit Board.**

10 **“(b) ‘Coordinated care organization’ has the meaning given that
11 term in ORS 414.025.**

12 **“(c) ‘Primary care’ means family medicine, general internal medi-
13 cine, naturopathic medicine, obstetrics and gynecology, pediatrics or
14 general psychiatry.**

15 **“(d) ‘Primary care provider’ includes:**

16 **“(A) A physician, naturopath, nurse practitioner, physician assist-
17 ant or other health professional licensed or certified in this state,
18 whose clinical practice is in the area of primary care.**

19 **“(B) A health care team or clinic that has been certified by the
20 Oregon Health Authority as a patient centered primary care home.**

21 **“(2) The Oregon Health Authority shall convene a primary care
22 payment reform collaborative to advise and assist the authority in
23 developing:**

24 **“(a) A Primary Care Transformation Initiative to:**

25 **“(A) Share best practices in technical assistance;**

26 **“(B) Adopt methods of reimbursement that direct greater health
27 care resources and investments toward primary care; and**

28 **“(b) A plan to evaluate the success of the methods adopted by the
29 collaborative under paragraph (a) of this subsection in supporting and
30 facilitating health care innovation and care improvement in primary**

1 care.

2 “(3) The authority shall invite representatives from all of the fol-
3 lowing to participate in the primary care payment reform
4 collaborative:

5 “(a) Primary care providers;

6 “(b) Health care consumers;

7 “(c) Experts in primary care contracting and reimbursement;

8 “(d) Independent practice associations;

9 “(e) Behavioral health treatment providers;

10 “(f) Third party administrators;

11 “(g) Employers that offer self-insured health benefit plans;

12 “(h) The Department of Consumer and Business Services;

13 “(i) Carriers;

14 “(j) A statewide organization for mental health professionals who
15 provide primary care;

16 “(k) A statewide organization representing federally qualified health
17 centers;

18 “(L) A statewide organization representing hospitals and health
19 systems;

20 “(m) A statewide professional association for family physicians;

21 “(n) A statewide professional association for physicians;

22 “(o) A statewide professional association for nurses; and

23 “(p) The Centers for Medicare and Medicaid Services.

24 “(4) The Primary Care Transformation Initiative must be designed
25 to:

26 “(a) Increase the resources dedicated to primary care in this state;

27 “(b) Align with and complement the Oregon Integrated and Coor-
28 dinated Health Care Delivery System established by ORS 414.620;

29 “(c) Align financial incentives with the health care quality im-
30 provement goals of carriers and of purchasers and consumers of health

1 care; and

2 “(d) Promote culturally and linguistically appropriate care in order
3 to reduce disparities in health outcomes linked to race, ethnicity, pri-
4 mary language and similar factors.

5 “(5) The payment methods developed under subsection (2) of this
6 section:

7 “(a) May include actuarially sound reimbursement methods that
8 appropriately transition reimbursement away from a fee-for-service
9 basis by adjusting risk based on the number of patients assigned to a
10 primary care provider; and

11 “(b) Must provide some flexibility for carriers and primary care
12 providers to negotiate contract rates and ensure that the financial risk
13 for both carriers and primary care providers is appropriately balanced.

14 “(6) The authority may require primary care providers that receive
15 payments using the methods described in subsection (5) of this section
16 to provide simple budget and activities summaries to document the
17 use of the payments. The reporting process may not impose undue
18 administrative burdens on providers.

19 “(7) The authority shall convene the primary care payment reform
20 collaborative no later than October 1, 2015.

21 “(8) A coordinated care organization shall:

22 “(a) Report to the authority, by March 16 of each year, the propor-
23 tion of the organization’s total medical costs that are allocated to
24 primary care;

25 “(b) Increase the proportion of the organization’s total medical
26 costs that are allocated to primary care by 1.5 percent annually with-
27 out a corresponding increase in global budgets, up to a maximum es-
28 tablished by the authority by rule; and

29 “(c) Report to the authority annually on the methods used to ac-
30 complish the increase in the proportion of the organization’s total

1 medical costs that are allocated to primary care using the measures
2 identified in ORS 414.638.

3 “(9) The authority, in collaboration with the Department of Con-
4 sumer and Business Services, shall adopt rules prescribing the primary
5 care services for which costs must be reported under subsection (8)
6 of this section.

7 “(10) Not later than December 31, 2015, and each year thereafter, the
8 authority shall report to the Legislative Assembly, in the manner
9 provided by ORS 192.245:

10 “(a) The success of the initiative, using the evaluation plan devel-
11 oped under subsection (2)(b) of this section;

12 “(b) The extent to which coordinated care organizations and carri-
13 ers have increased the proportion of their total costs allocated to pri-
14 mary care, including the baseline proportion and the change reported
15 each year; and

16 “(c) Methods used by coordinated care organizations and carriers
17 to pay for primary care and to increase the proportion of total medical
18 costs allocated to primary care without an increase in global budgets
19 or premiums.

20 “(11) The authority shall conduct a full evaluation of the initiative
21 and report the findings of the evaluation to the Legislative Assembly
22 no later than February 28, 2020.

23 “(12) The authority may contract with a public or private entity to
24 facilitate the work of the collaborative and may apply for, receive and
25 accept grants, gifts, payments and other funds or advances, properties
26 or services from the United States government, the state or any gov-
27 ernmental body or public or private person for the purpose of estab-
28 lishing and maintaining the initiative.

29 **“SECTION 3.** (1) The Legislative Assembly declares that collab-
30 oration among insurers, purchasers and consumers of health care to

1 develop innovative reimbursement methods in support of integrated
2 and coordinated health care delivery is in the best interest of the
3 public. The Legislative Assembly therefore declares its intent to ex-
4 empt from state antitrust laws, and to provide immunity from federal
5 antitrust laws through the state action doctrine, any person partic-
6 ipating in the Primary Care Transformation Initiative, described in
7 section 2 of this 2015 Act, that might otherwise be constrained by such
8 laws.

9 “(2) The Director of the Oregon Health Authority or the director’s
10 designee shall engage in appropriate state supervision of the Primary
11 Care Transformation Initiative as necessary to promote state action
12 immunity under state and federal antitrust laws to ensure that the
13 initiative is implemented in accordance with section 2 of this 2015 Act.

14 “(3) Carriers, coordinated care organizations, the Public Employees’
15 Benefit Board, the Oregon Educators Benefit Board, health service
16 organizations, employers, health care providers, health care facilities,
17 state and local governmental entities and consumers may meet to fa-
18 cilitate the development, implementation and operation of the Primary
19 Care Transformation Initiative in accordance with section 2 of this
20 2015 Act.

21 “(4) The Oregon Health Authority may conduct a survey of the en-
22 tities and individuals specified in subsection (3) of this section to assist
23 in the evaluation of the Primary Care Transformation Initiative.

24 “(5) A survey or meeting under subsection (3) or (4) of this section
25 is not a violation of state antitrust laws and shall be considered state
26 action for purposes of federal antitrust laws through the state action
27 doctrine.

28 **“SECTION 4.** Section 1 of this 2015 Act is added to and made a part
29 of the Insurance Code.

30 **“SECTION 5.** Sections 1 to 4 of this 2015 Act are repealed March 1,

1 **2022.**

2 **SECTION 6. This 2015 Act being necessary for the immediate**
3 **preservation of the public peace, health and safety, an emergency is**
4 **declared to exist, and this 2015 Act takes effect on its passage.”.**

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