

**PROPOSED AMENDMENTS TO  
SENATE BILL 833**

1 Delete lines 5 through 23 of the printed bill and insert:

2 **“SECTION 1.** ORS 414.652 is amended to read:

3 “414.652. (1) A contract entered into between the Oregon Health Author-  
4 ity and a coordinated care organization under ORS 414.625 (1):

5 “(a) Shall be for a term of five years;

6 “(b) [*Except as provided in subsection (3) of this section,*] May not be  
7 amended more than once in each 12-month period; and

8 “(c) May be terminated if a coordinated care organization fails to meet  
9 outcome and quality measures specified in the contract or is otherwise in  
10 breach of the contract.

11 “(2) [*This section*] **Subsection (1) of this section** does not prohibit the  
12 authority from allowing a coordinated care organization a reasonable  
13 amount of time in which to cure any failure to meet outcome and quality  
14 measures specified in the contract prior to the termination of the contract.

15 “[*(3) A contract entered into between the authority and a coordinated care*  
16 *organization may be amended more than once in each 12-month period if:*]

17 **“(3) The authority shall submit to the appropriate federal agency**  
18 **for review and approval:**

19 **“(a) The proposed terms of a new contract with a coordinated care**  
20 **organization not less than 135 days prior to the expiration of an ex-**  
21 **isting contract with the coordinated care organization.**

22 **“(b) The proposed payment rates for a coordinated care organiza-**

1 **tion not less than 90 days prior to the effective date of the proposed**  
2 **rates.**

3 **“(4) The authority shall allow a coordinated care organization a**  
4 **period of at least 60 days in which to review changes resulting from a**  
5 **federal review to negotiated contract terms or to payment rates before**  
6 **agreeing to the changes. If the coordinated care organization is pro-**  
7 **vided less than 60 days to review the changes, the existing contract**  
8 **and rates remain in effect until the authority provides the required**  
9 **period for review.**

10 **“(5) Subsections (1)(b) and (4) of this section do not apply if:**

11 **“(a) The authority and the coordinated care organization mutually agree**  
12 **to amend the contract; [or]**

13 **“(b) Amendments are necessitated by changes in federal or state law; or**

14 **“(c) With respect to changes in contract terms or payment rates,**  
15 **the authority has complied with subsection (3) of this section but has**  
16 **not received necessary federal approval.”.**

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